



Daily Report—

Supplement

East Europe

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Mujahidin Connection in Zagreb Viewed
93BA1349B Zagreb DANAS in Serbo-Croatian
23 Jul 93 pp 8-10

[Article by Gordan Nuhanovic: "Through Croatia to the Jihad in Bosnia"]

[Text] *Politicians from Herzegovina are increasingly reproaching the Croatian authorities for being too absorbed with the so-called Herzegovina lobby, while apparently the Muslim lobby in Zagreb is growing, the backbone of which is Ceric, Sabic, and Kurjak [leaders of the Party of Democratic Action].*

Following a trail of reliable reports indicating that there was a drug warehouse in an apartment in Velika Gorica, police actually found an empty apartment. However, it was not completely empty, because although its owner, a certain muslim priest, Enver Pasalic, had simply disappeared, the police found some interesting propaganda material while searching for drugs among Pasalic's personal belongings that he left behind (presumably in his haste). The seemingly self-sacrificing Muslim religious instructors did not make much of an effort to conceal—besides drugs, which were apparently his second job—certain documents imbued with Muslim fundamentalism.

On an audio tape, the priest takes a sort of oath: "I, Enver Pasalic, if I make it to the ahiret (the world to come), want to say that I fought for a unified, independent, and Islamic Bosnia. God is great." The exclamation "God is great" can be described with trepidation by anyone who has experienced battle with the mujahidin. We find the same inscription on the chests of mujahidin in several photographs from the priest's private photo album. The pictures feature posing Arab fighters, while in the majority of them the priest is in camouflage, frequently with a machine gun "at the ready."

Similar things are found on seized video tapes, which include footage from pro-Bosnian meetings in certain German cities (or in one city) where there is a succession of passionate speakers who call for a jihad, extol Islam, praise the shehids, and openly threaten the "enemies of the Muslim nation," among whom they unreservedly include the Croats. Although the majority of the material is in Arabic, one Muslim religious dignitary from Mostar speaking in Croatian at one of the meetings testifies to the massacre of eight mujahidin in his city, while the huge Arab audience applauds him.

Still parked beneath the apartment in question in Velika Gorica is a green Opel belonging to Priest Enver Pasalic, with the license number ZE 191-10, while in the meantime someone has removed all the technical equipment from the apartment. The tangled web began to unravel after certain people (whose names are unavailable) who moved in the priest's immediate circle reported to the HVO [Croat Defense Council] intelligence service on the reason for the priest's disappearance. It turns out that while preparing for his trip, the priest said that his destination was the Middle East, for the purpose of a hajj, the Muslim religious pilgrimage. Since a Yugoslav and a Bosnian passport were found in the priest's apartment, it can be assumed that he

was traveling with a Croatian passport. However, it is written in his Yugoslav passport that he passed through Surcin [Airport] on 18 October 1991 on a hajj to Saudi Arabia, but it is impossible to determine whether he brought shehids back with him to fight in Bosnia-Herzegovina. But in any event, in analyzing the documents it is hard to shake the impression that Pasalic's current trip was in fact inspired by the desire to recruit mujahidin for the war in Bosnia-Herzegovina. It has long been no secret that a certain number of Muslim religious instructors have gone to Turkey, Saudi Arabia, Afghanistan, and other Islamic states for further "training," where they have made numerous acquaintances. Pasalic is a controversial figure. According to photographs, he is very close to President Izetbegovic, but also to other people in the Muslim civilian and military leadership. He is alternately found at state receptions, at secret meetings with figures from the Bosnia-Herzegovina Army leadership where new campaigns are planned before unfolded maps, and in the trenches with a machine gun, surrounded by faithful mujahidin or somewhere in the mountains of central Bosnia. He holds rallies abroad and makes important contacts, travels a great deal to the east and to the west, and has significant amounts of money at his disposal. According to HVO intelligence officers, he received 100,000 German marks [DM] during his hajj alone.

"Charitable" Societies

The case of Priest Enver Pasalic inevitably raises the question of whether this is simply a reflection of the policy of mass institutions, including the global Islamic associations that are fueling the Islamization of Bosnia-Herzegovina. There are 20 Islamic humanitarian societies in Zagreb, with headquarters in Vienna. They are in continuous contact with people and organizations from Bosnia-Herzegovina but have no contacts whatsoever with official Croatian institutions, while the status of these totally indigenous entities that render accounts only to their Vienna headquarters is extremely unclear. Naturally their function is humanitarian, at least on paper, but the experiences of Muslim refugees in Zagreb with these organizations is very indicative. Recently, a Muslim woman told the leaders of the refugee settlement in Zaprud (Zagreb), where nearly 1,000 Muslims from Prijedor, Kozarac, and Doboј are housed, that they had not received a bit of concrete aid from these humanitarian societies in a year's time, but that their representatives continually "bombard" the refugees with Islamic propaganda, contributing to divisions and confusion.

Politicians from Herzegovina are increasingly reproaching the Croatian authorities for being too absorbed with the so-called Herzegovina lobby, while apparently the Muslim lobby in Zagreb is growing, the backbone of which, they say, is Ceric, Sabic, and Kurjak. It is further alleged that this lobby has its people at Zagreb University, in the Croatian Armed Forces, and even in the Assembly, the MUP [Ministry of Internal Affairs], and the government. It is certain that these charges must be taken with a grain of salt, but it is also certain that various Muslim funds and organizations have a great deal of money at their disposal and that they

rarely fulfill their charitable objectives, meaning that this money rarely makes it into the hands of the 200,000 refugees in Croatia. Some persons in Croatia who maintain ties with Islamic organizations and banks in Vienna say that around DM2 million intended for rebuilding Bosnia is being kept there. Several months ago, foreign agencies carried the report that the director of the Organization of Islamic Countries for Eastern Europe, El Fatih, brought in \$200 million for Bosnian Muslims with his signature, while a certain Hag, the vice president of the Islamic Reconstruction Bank, previously spoke of large sums of money.

Helping out the Bosnia-Herzegovina Presidency in every regard, Zagreb has begun with time to figure as a "reserve capital of Bosnia-Herzegovina," because aside from the fact that it has been a frequent site of meetings of the Presidency and government of Bosnia-Herzegovina, it is also ideal for political, economic, and even intelligence and transit tasks linked to the territory of the state of Bosnia-Herzegovina. If Vienna is the headquarters, then Zagreb is the main branch, or as embittered Bosnian Croats will say, "the main Muslim supply center," which sounds utterly absurd and is not in accordance with official Croatian policy toward Bosnia-Herzegovina. Nevertheless, the expressed theories are supported by the fact that, for example, trucks that continually circulate with their loads through Zagreb and Split are repaired in the Zagreb area settlements of Jankomir and Savski Gaj, as well as in Trakoscan and some even smaller places. In recent times, proposals have been heard by the government of the Republic of Croatia that legal provisions be enacted allowing precise insight into and influence over the dozen Arab organizations that have sprung up in Zagreb during this year and last year, so that all warehouses must be registered, that they must meet conditions for safekeeping from perishableness and theft intended for the black market, and so on.

Islamic State

If the Croat-Muslim conflict in Bosnia-Herzegovina continues, the question is whether and how the Croatian Government will approach this unquestionably vital support for the Muslim side arriving through the territory of the Republic of Croatia. As the fighting escalates, both Muslim and Croat intelligence agents are intensifying their activity, attempting to buy people and time, while on the other hand homogenizing all Croats they are endeavoring to bring about a black and white evaluation of this conflict.

From Priest Enver Pasalic's native Fojnica, the local imam, Pasalic's relative Mensur Effendi Pasalic, came out with these words only one month ago: "Islam aspires to the coexistence of all religions, people, and ideologies in a unified, happy life. We in Bosnia-Herzegovina have Serb and Croat extremists, and clearly this provokes extremism among the Muslims as well, together with the desire for an Islamic state, while the Belgrade and Zagreb media are fabricating mujahidin." These same fabricated mujahidin, together with the Bosnia-Herzegovina Army, demonstrated the hypocrisy of the imam's words only a few days later when they launched a general attack on the previously peaceful Fojnica ("Appeal from Fojnica").

One of the things found in Priest Enver Pasalic's Velika Gorica apartment was a small handbook for Muslims entitled "With These, in the Present Day," which states the following: "Human morality is not demonstrated anywhere as it is in the jihad. This is an appeal to all Bosnian Muslims to save their souls in this imposed war." Perhaps the morality that the shehids from the Middle East must elevate is the best testimony to the nature of the Bosnian jihad.

[Box, p 9]

Humanitarian Organizations

Since the beginning of the war in Bosnia-Herzegovina, 21 Arab humanitarian organizations, or rather branch offices thereof, have been registered in Croatia. Their function, according to the register, is "to help the people of Bosnia-Herzegovina." They are: the High Saudi Committee (Saudi Arabia); the International Islamic Relief Organization Igasa (Saudi Arabia); the Secretariat of Assemblies of Muslims of Eastern Europe (Germany); the Kuwaiti General Committee for Aid (Kuwait); Islamic Relief (Great Britain); the International Charitable Organization (United States); Human Appeal (United Arab Emirates); the Human Relief Agency (Egypt); the Islamic Word (Kuwait); Mercy International (Kuwait); Muslim Aid Representative (Great Britain); the Al Haramain Islamic Foundation (Saudi Arabia); the Islamic Relief Agency Isra (Sudan); Third World (Austria); Dar Al Berr (United Arab Emirates); Traibah International (United States); the Humanitarian Organization Ibrahim Bin Abdulaziz Alibrahim (Saudi Arabia); Al Hedemat Office (Pakistan); the International Humanitarian Relief Organization (Germany); Islamic Wagef (Saudi Arabia); and the Muwafag Foundation (Saudi Arabia).

[Box, p 10]

Captured Mujahidin

A fax from the Bosnia-Herzegovina Army headquarters in Zenica with the heading "To the UN Office in Zenica" contains a list of 15 mujahidin captured by the HVO since December 1992. They are: Gilani (Saif Al-Tunusi), Muhdi Mukali (Abu Jihad), Abdu Kader (Abdul Kader Algazoiri), Mohamed (Abu Gafer el Nasri), Abu Abdulah, Addullhadi-Kahtari, Kulaib Mutlak, Al Mutairi (Abu Ali), Rasdim El Sudairi, Abdullaziz Salim Shokani, Hamed Mohamed Abdulla, Abu-Hamed, Abu-Abbass, Abu-Jihad, Abu-Mustab, and Abu El-Hassan.

Mention is also made of another 32 "brothers" captured over the past three months, but without names. The authors of the fax give as the places of capture Novi Travnik, Kiseljak, Busovaca, Mostar, and Gornji Vakuf.

Crime, Power Struggle in RSK Viewed

*93BA1371A Belgrade BORBA in Serbo-Croatian
5 Aug 93 p 11*

[Article by Milan Bunjac: "Republic of Serbian Krajina Between Crime and Struggle for Power: Profiteers Versus Rulers"]

[Text] *The three months of efforts to impose order have not succeeded, but it has been determined that the economy is at a standstill, the citizens are worried, and black-marketeers and criminals are inciting lawlessness.*

Glina—The persistent efforts by the government of the RSK [republic of Serbian Krajina] to impose order, work, and discipline and to halt the trend of anarchy and lawlessness have not yielded concrete results even after three months of activity. At meetings organized by the state and political leadership of Krajina with local government representatives in Banija and Kordun, people are still searching for the right solutions—besides noting that the economy is not functioning, that the legal and property insecurity of the citizens is on the rise, and that wartime profiteering, black-marketeering, and lawlessness are on the rise.

Prime Minister Djordje Bjegovic chose a hot region—Banija and Kordun—and the hot month of July to deal with some hot subjects, intending to contribute to the establishment and affirmation of the rule-of-law state. The choice of region here was incidental, because the situation is similar in other areas as well, while it was noted that time is running out and that problems have come to a head and cannot be postponed any longer.

Factories Without Energy and Raw Materials

During July several meetings were held in Glina, Petrinja, and Topusko, where a "picture of the situation" was offered that Bjegovic tried to dress up while setting up a new institution in charge of the "touch-up work": the government Coordinating Committee for Banija and Kordun. The task of this body, headed by dismissed minister for trade Svetozar Vincic, was to stimulate the economy and implement the proposal by Mile Martic to legalize the illegitimate trade with Muslims in the Cazin Krajina. However, it is impossible to start up industrial plants and factories for lack of energy and raw materials, and the attempt to open a legal border crossing toward Velika Kladusa met with sharp condemnation and resistance by local opstina authorities, so that the committee fell apart at the very outset and its good intentions were derailed.

At a meeting of the Krajina leadership in Glina, Milan Korac, the chairman of the Executive Council of that opstina, described the cause of the crisis as the disagreements and divisions within the Krajina political leadership and the struggle for power. Addressing Babic [former RSK president], Paspalj [chairman of the Krajina parliament], Gen. Novakovic [commander of the Serb Krajina army], Bjegovic, and his ministers before the Glina military and civilian "structure," he emphasized that the inability of the state and its institutions to function is simply a consequence of the division within the SDS [Serbian Democratic Party] based on the Vance plan, which carries a special and specific weight. In the struggle for prestige and power, skillful use is made of the "national syndrome," while looking for solutions for the RSK within the framework of international politics to serve as a cover for attaching less importance to internal problems. Because of this, Korac stresses, we are seeing the flourishing of illicit trade with the Muslims, the

black market, the impudent plunder of our citizens' property, and an escalation of terrorism and banditry, while all of this reflects poorly on our defensive strength.

Where Are the 700,000 German Marks?

The president of the SO [Serbian opstina of] Glina, Ljubomir Madzarac, discussed similar problems, noting that all services were paralyzed and that the opstina's institutions of government cannot do anything because they are practically nonexistent. They are waiting for a solution from the [RSK] government, because all the information and responsibilities flow into its cabinet departments. He asked: "Does the government even have the authority and power to solve the accumulated problems?" This allusion to increasingly powerful individuals inspired Mile Paspalj, the chairman of the Krajina parliament, to propose the arrest of smugglers and registered criminals, labeling them the only culprits. He also called on the government to provide free firewood to the families of fallen soldiers, to invalids, and to the wounded, which would alleviate social tensions to a certain extent.

Charges against individuals in the Krajina political leadership, although veiled and unclear, motivated internal affairs minister Mile Martic to explain at a meeting in Petrinja the fate of the 760,000 German marks that were seized at the Moscenica border crossing last spring. This foreign exchange was discovered on "Agrokomer" drivers who had been hired by the UNHCR to transport humanitarian aid to the Cazin Krajina, and was seized on the suspicion that it was intended for the purchase of weapons. The Muslim drivers ended up before the Okrug Court in Glina, and after the investigation they were released on bail, while the money was placed under the protection of the court as material evidence. Under a decision by the president of the republic, Goran Hadzic, the foreign exchange was, in conflict with legal procedure, distributed between the MUP [Ministry of Internal Affairs] and the military for the purchase of material and equipment. Martic explained that a "Motorola" and other modern communication equipment were being purchased, and that when that is complete a report will be submitted accounting for every cent of this sizable sum.

Djordje Bjegovic listened once again to the problems bearing down on the citizens and on the military and civilian authorities in Banija and Kordun, and in the end promised that within five days the government would adopt decisions and resolutions on emerging from the crisis.

RSK Radical Leader Charges Against Hadzic

93BA1353C Belgrade BORBA in Serbo-Croatian
27 Jul 93 p 13

[Interview with Rade Leskovac, president of the Serbian Radical Party in the republic of Serbian Krajina, by Branislav Gulan; place and date not given: "The Secret Life of the Violent President"]

[Text] Chaos and lawlessness prevail in the republic of Serbian Krajina [RSK]. While the fighting men are fighting, the top leadership of the RSK is getting rich with smuggling

and trade, spending its time in coffee houses, evading the scheduling of elections, and thinking that it will rule forever in this way. Goran Hadzic, the current president of what he likes to call a "young state," is exclusively to blame for these relations and that situation in Krajina, charges Rade Leskovac, president of the Serbian Radical Party [SRS] in the RSK, in an interview for BORBA.

[Gulan] In recent days, you have blamed Goran Hadzic for loss of territory, the unwillingness of the army on 22 January, diplomatic incompetence, and selling our Krajina.

[Leskovac] Nothing clean has been done in the RSK since Goran Hadzic has headed it. He himself has admitted manipulation with petroleum and wood, saying he was doing so on patriotic grounds. It is exclusively his fault that the petroleum leaked out of the tanks just before the Croatian aggression. I will give just a few examples of cases in which he earned 2.3 million marks [DM]. Under a contract with the private firm Kirby which is owned by Djoka Letic, on 22 January of this year, two days before the Croatian aggression, during the days of the mobilization, Hadzic deposited 31,500 liters of diesel fuel, 5,000 liters of unleaded gasoline, and 79,000 liters of high-test in the tanks of private operators. All of this allegedly to meet the needs of the RSK Presidency, which does not exist at all. That is, he left the tanks empty just before the aggression. Ten days after that, he and Djoka Letic signed a certificate that 15,000 liters of diesel fuel, 300 liters of unleaded gasoline, and 29,000 liters of high-test were dispensed to meet the needs of the RSK Presidency, and then on 4 February 18,000 liters of diesel fuel and 20,000 liters of high-test were returned to those same tanks. No later than 14 February, 29,000 liters of diesel fuel, 300 liters of unleaded gasoline, 56,000 liters of high-test were pumped, again for the non-existing Presidency. This is only a part of the misappropriations of petroleum by the RSK president. If, say, the entire administration of the RSK, of the Srpska republic, and even of the Republic of Serbia were taking fuel from this place, they could not have consumed it in three months, much less 20 days. That is why the tanks were not able to return the fire to the enemy, but Hadzic calls all that patriotism.

[Gulan] You say that chaos prevails, that there is no law-governed state. What other evidence do you have of that?

[Leskovac] Under the law of the RSK, 85 percent of the turnover tax is supposed to go into the budget of the RSK, and 15 percent into opstina budgets. However, local bigwigs disregard this arbitrarily, arrogantly, and haughtily. Mirkovci Opstina leaves 70 percent of the turnover tax in its budget, Beli Manastir Opstina has not paid a dinar into the

republic budget since 3 May of this year. In Baranja, outright force is in power, murderers are walking the street, and no one does anything. Hadzic personally escorted one murderer out of prison because of his service in the war. In the last 20 days, wheat has been traded and smuggled. From Serbia via Macedonia, it is going to Croatia and Slovenia. That is, we are feeding the enemy. In order to conceal this and maintain his clean image with the public, President Hadzic replaced the defense minister after the aggression, and that is where the matter ended. While about 5,000 fighting men, members of our party, went to defend the RSK, Hadzic was siphoning fuel from the tanks.

[Gulan] You accuse Hadzic, while he is offering you the post of information minister in the RSK government!

[Leskovac] That is all a lie. I never even thought of being in that government, when I know what the president of the state is doing. Hadzic and I took part in the negotiations with Boljkovac and Slavko Degoricija back in April 1991 in Vukovar, and he did not say a word! I came to the talks as a citizen of Osijek, and he from the village of Pacetin, where the ustasha boot never set foot.

[Gulan] There has been a state of war in the RSK since the Croatian aggression so that there are no elections.

[Leskovac] The failure to hold an election is a greater favor to Tudjman than giving them the Maslenica bridge. Hadzic is trading away Krajina. What else are you going to call it when he gives away the bridge and the airport, and at the same time gets nothing back? From the first day he appeared on the international scene, he has been signing documents as the representative of the local Serbs, but not as the president of the RSK, as he falsely represents himself before the people of Krajina. Hadzic is the only Serb who voted for the Vance-Owen plan, and even then it was clear how disastrous it was for the Serbs.

[Gulan] There has been mention in public that soon you will go to the negotiations in Geneva with Dr. Milan Babic.

[Leskovac] In his behavior, Hadzic does not allow any possibility for influence of political parties. If invitations come, both Dr. Babic and I will examine them. But we would go to those talks with a clear political platform, and we would call for the parliament of the RSK to take a position. The negotiators up to now have not had a platform nor the legitimacy of the parliament. All of this indicates that we have not taken advantage of the experience of our brothers in the Srpska republic, which has had great success at the international level. The causes of our divisions in the RSK, which have caused the people the most trouble, lie in all of that.

*** SZDSZ, FIDESZ Enter Into Election Pact**

*** Text of Agreement**

93CH0866A Budapest BESZELO in Hungarian
24 Jul 93 p 2

[Agreement between Federation of Young Democrats and Alliance of Free Democrats]

[Text] In due regard to the successful election performance of the two liberal parties, and having agreed upon the need to establish a government with a liberal majority including both parties, the Federation of Young Democrats [FIDESZ] and the Alliance of Free Democrats [SZDSZ] have agreed as follows consistent with the agreement the two parties had reached on 24 February 1993.

1. Cooperation in Parliament

Reaffirming and supplementing the earlier agreement, the parties to the agreement

- Continue to endeavor to achieve close, mutual cooperation regarding laws requiring the approval of a two-thirds majority;
- Determine that the leadership of the two parliamentary groups will regularly review proposals introduced in parliament which need to be reconciled by the two groups due to their political, social or economic significance, and that in regard to such issues they will endeavor to develop reconciled, common positions;
- Agree that with respect to independent proposals or amendments to be introduced jointly with other parties or representatives seated in parliament, the two parliamentary groups will hold discussions.

2. Amending the Election Law

Having agreed that amendments to the election law must serve the purpose of simplifying and shortening the election process, and of facilitating information provision to the electorate, the parties to the agreement are determined to take a joint stance regarding amendments, as agreed upon by the campaign chiefs of the two parties.

3. Cooperation in Nominating Candidates

The parties to the agreement endeavor

- To avoid leading officials of the two parties running against each other in individual voting districts;
- To support the other party's candidate in a certain number (6-12) of individual voting districts, without running their own candidates.

Cooperation Between the Two Rounds of Elections

The parties to the agreement

- Agree that after learning the results of the first round of elections, they will immediately enter into negotiations first with each other about concessions to be made in individual voting districts in one or the other party's favor;

—Determine that in individual voting districts in which the candidates of both parties could participate in the second round of elections based on the results of the first round of elections, the candidates will yield in favor of each other, pursuant to the formula detailed below.

Thus:

- Insofar as in the first round of elections—irrespective of whether they produce results—the number of valid votes cast in a voting district in favor of the candidates of the two parties amounts to more than 4 percent of all valid votes cast, but a difference of at least 1,000 votes exists, the candidate with the weaker showing is going to automatically yield in favor of the other candidate;
- Insofar as one of the parties to the agreement is unable to enforce the agreement to yield in a given voting district, it will
- Agree not to support its candidate if he yields his votes in favor of a third party candidate, and will
- Recognize that the other party to the agreement will force its candidate to withdraw in another voting district;
- Insofar as the first round election results of the candidates of the two parties to the agreement show a difference amounting to fewer than 1,000 votes, the concessions will be reconciled through negotiations.

The parties to the agreement

- Will have their candidates for representative agree in advance to the reconciled rules for concessions;
- Agree that insofar as the candidate of one party does not participate in the second round of elections, the candidate of the other party will publicly announce the support of his candidacy by the two parties; in particularly justified cases a majority of the groups functioning in the voting districts may veto such public announcement;
- Agree that they will reach agreements with other parties regarding cooperation in the elections only in a manner consistent with this agreement, but
- From among the parties presently not seated in parliament they will negotiate prior to the first round of the upcoming elections only with the Agrarian Alliance and with the Entrepreneurs' Party;
- And in neither round of elections with the parties of the present ruling coalition, or with the Hungarian Socialist Party [MSZP].

Coalition Cooperation

The parties to the agreement

- Determine that in the course of possible coalition negotiations, they will endeavor that both liberal parties become part of the ruling coalition after the next parliamentary elections as a result of such negotiations; therefore
- insofar as one of the two signatories is able to initiate coalition negotiations after the elections, it will request the other party to participate in the government, in

proportion to the weight that party carries in parliament; in case of a coalition agreement between the two parties, the party asked to form a cabinet will negotiate with others only on the basis of advance reconciliation with the other party to this agreement;

—Insofar as one of the two parties is requested by a third party to enter into coalition negotiations based on the situation that evolves after the elections, that party will enter into such negotiations only after reconciling in advance the matter with the other party to this agreement.

Reconciling Proposed Governmental Programs

The parties to this agreement

—Agree to mutually prepare a list of issues which require political and professional negotiations when cast as proposed governmental programs; such list will be prepared by 30 September 1993;

—Agree that at least 30 days prior to the first round of elections to jointly develop for the possibility of a liberal government a program package containing measures to be taken immediately after the elections—measures that are indispensable and urgent.

The parties to the agreement recognize that this agreement is not valid unless a decision of bodies specified in FIDESZ's as well as the SZDSZ's bylaws affirms the agreement.

Budapest, 15 July 1993

Viktor Orban, Ivan Peto, Laszlo Kover, Gabor Kuncze

* SZDSZ Commentary

93CH0866B Budapest BESZELO in Hungarian
24 Jul 93 p 3

[Editorial by "eo": "The Liberal Alternative"]

[Text] Political life has undergone a tremendous development during the past three years.

The public is beginning to know without being told which is the right and which is the left direction. And to provide such directions, we no longer need either "political scientists in the anthropological sense," nor Western analogies, nor nostalgic feelings. Politicians themselves mark the course. The advantage of this is that the terrain is becoming smooth, the billiard balls can roll joyfully and strike each other on that terrain. "Framing," "labeling," "simplifying,"—politicians had registered their protests in 1989 (both party state and opposition politicians) against any kind of classification. But we are in the year 1993 now, and labels serve well: they let us find directions easier.

In this self-definitive political sphere there came about last week an election alliance between FIDESZ and the SZDSZ.

The two liberal parties approached each other in a measured, pragmatic, and official way, without any unnecessary nostalgic sentiment or manifestation of philosophical conduct. The news should be welcome in this regard: The

alliance creates a three-pole political sphere (or to use Gyula Teller's expression: a "political sphere divided into three parts") almost automatically, in which the liberal center wants to beat in the elections both the Christian-national center right, and the left of center studded with the old motorists. The timing is also impressive: The agreement was reached before the arrival of the summer lull, leaving time to inform liberal supporters for whom to vote in the second round of elections, if the candidate of one of the parties withdraws in favor of the other. (There was no time for this 1990, the election alliance of those days did not work in favor of the Free Democrats.)

But, for the time being, the alliance is surrounded by an excessively defensive spirit. The present agreement applies procedural therapy to remedy the earlier conflicts, and the allies intend to supplement this with an election ethics code come fall, so as to prevent a recurrence of the earlier mutual offenses, to prevent unpleasant situations even before the elections in which the two parties' parliamentary groups cast different votes on same issues. "No natural alliance exists, all we have is a specific agreement," Viktor Orban used to say. We now have the specifics; but these make sense only if they manifest a natural alliance to voters.

But a cultured procedural order alone is not enough. The alliance will best ensure the mutually desired success if the parties to the agreement manage to demonstrate the meaning of the alliance: the liberal alternative, the reason why the two parties appear jointly on one and the same terrain. And only in the course of this endeavor is it going to become visible that the terrain is not that smooth, and that billiard balls are going to joyfully clash.

* FIDESZ Commentary

93CH0866C Budapest MAGYAR NARANCS in Hungarian 22 Jul 93 p 11

[Article by Gyorgy Simo: "FIDESZ-SZDSZ Agreement; Till Death Do Us Part"]

[Text] As if things were beginning to normalize. Last weekend the two liberal parties signed a cooperative agreement which they began to put together in March (MAGYAR NARANCS 4 March 1993).

One should, by all means, be pleased with the agreement, the first agreement between two parties that could have a serious impact on the way things happen in this little country embraced by parliament, since the earlier pact between the MDF [Hungarian Democratic Forum] and the SZDSZ. It is good to see that dog does not eat dog, but instead takes the cheese from the fox's mouth while it is singing. After the real and artificial troubles of the past weeks and months, we might expect some tiny sense of certainty to be conveyed to citizens condemned to vote, citizens who were just about beginning to believe that everything was relative. They believed in things like: Any trash may be found in politics, that it is never worth believing anything, that the SZDSZ would perfidiously go to bed with the MSZP, while the unscrupulous FIDESZ would sell everything to the MDF.

This is not the case. Quite obviously, this has never been the case, but this no longer makes any difference. More important is the fact that even those who have doubts might gain some strength from the joining of the two large liberal parties, and who knows, even the opponents might do so. The agreement appears to be rather broad and comprehensive: In addition to previous correlations and pledges to cooperate in elections that apply for the remainder of the time, the agreement also covers the forming of a cabinet, coalition negotiations and the correlation and streamlining of "professional and political" key issues related to the future government program. We are witnessing at this time the evolution of a consensus which might lend some stability to Hungarian domestic policies for the next one or two terms of governance. The essence of the new consensus is the acceptance of the tri-partite division of the Hungarian party system; the triangle composed of the right center led by the MDF, the evolving liberal bloc, and the socialists travelling alone for now, provides the framework which seems to be accepted by the parties, the analysts, and, perhaps, even by the god-given people. This formula may prove itself to be surprisingly flexible and strong if it survives the elections. Most certainly, however, the most important aspect of the agreement is its potential to provide people a sensible election choice.

If it stays alive. For now, our committed liberals have the best chance to keep it alive. While FIDESZ and the SZDSZ moved slowly, but in an unstoppable manner toward the agreement, they also adopted slowly the broader concept: the idea of a five-party bloc. In addition to FIDESZ and the SZDSZ, this bloc would have included the Agrarian Alliance, the Entrepreneurs' Party and the Republican Party. In the end, the latter was left out from the present agreement, in part because Janos Palotas wanted to prove his own ability on the path, and, in part, because FIDESZ has a rather skeptical view of this. One way or another, the fact is that this liberal-westernizer-pragmatist-modernizing center bloc (whatever its name is going to be)—looks like a sure bet in the elections.

Not so the once strong Hungarian. For now the MDF has not decided whether it has brought to an end its Csurka era, or whether it would once again choose Hungarian Justice in response to a fear of some catastrophic defeat in the elections. It seems more likely that jointly with the KDNP [Christian Democratic People's Party], they are going to rehash something from the image that remained from the previous elections or, in the final lap, they might embrace even Pozsgay's NDSZ [National Democratic Alliance]. If they were smart, they would not negotiate once again with the delirious extreme right but would try to offer an alternative somewhere in the center of the spectrum.

The MSZP remains where it has been, all by itself. Probably the greatest problem the socialists have is their inability to decide whether they truly want to win the elections (they are not completely without chances of doing so), or if they only want to pretend that they want to win the elections. In any event, the SZDSZ-FIDESZ agreement clarified the situation for them, too, moreover, if they make an overly good showing in 1994, they still might cleverly position themselves over into the opposition.

All this is fine, if things happen this way. If the agreement continues to work, moreover, if, god forbid, the stress and mudslinging between the two rounds of elections does not kill it, we might have a government in Hunnia we like. But even if we do not have such a government, we are not going to be able to say anything, because the alternatives are going to be clear. Everyone bets, and the black 13 wins. Make no mistake, this is within the rules. It is unfortunate, at most.

* MDF Representative Comments

93CH0866D Budapest HETI MAGYARORSZAG in
Hungarian 23 Jul 93 p 3

[Article by Hungarian Democratic Forum Representative Zoltan Speidl, under the rubric "Parliamentary Corridor"]

[Text] Judging by my hometown, it seems that a majority of the rank and file party membership does not want to play cute, acting as either bridesgroom or bridesmaid at the SZDSZ-FIDESZ wedding consummated by party leaders at the highest level. This holds true with respect to the sympathizers of both parties, but if I must make a choice, I say that the younger liberals are more irritated by this pact than the others. I used the word "pact," because they regard this measure as a surrender of some rights, as giving up some advantages, the same way as the opponents of the SZDSZ-MDF pact did, a pact regarded by now as a classic.

Just as in that case, circumstances—the ability to govern the country—forced the parties to the pact to sit down at the table, in this instance, too, we can see well that the parties to the agreement did not, by far, negotiate and make their decisions spontaneously, on a friendly basis.

The SZDSZ experienced the greatest need to take this step, because their acceptance level is very low despite the fact that they are an opposition party; regardless of the extent to which they keep this a secret, their organizations are divided, and the party leadership is not united either, even if they pretend to be united. In simple terms: some of the leadership wants to make an overture toward the left, while others aspire to assume the role of a true center. Not to mention the fact that within the SZDSZ, too, there exists a rather strong conflict based on Budapest (downtown) versus the countryside. This situation exerted a coercing force, they had to look for an ally.

The MSZP, with whom the SZDSZ would never shake hands, could not be considered momentarily by the SZDSZ leaders, simply because the MSZP has not yet become acceptable in the parlors, while on the other hand, party initiatives outside of parliament represent too much uncertainty today. One cannot tell what results they are going to achieve in 1994. Members of the ruling coalition could not even be considered, moreover, the approval of amendments to the general sales tax law, the supplementary budget, and the education law must also have prompted the vocal leaders of the larger liberal party to ponder.

Only FIDESZ was left, the party "which" is a "natural" ally anyway.

Facts have demonstrated for quite some time that this alliance has not been so "natural" from the standpoint of the Young Democrats. Public opinion polls made them the most popular, they felt that they managed to escape from being eternally regarded as the youth organization of the SZDSZ. (Much of the public still believes that.) Accordingly, irrespective of whether for good reason, FIDESZ could have felt that it was at the peak. But something had happened at that point. Light was shed on the headquarters affair.

In more exact terms, light was made to be shed upon this affair, because nothing illegal had occurred. Opinions differ on whether the attack would have been launched jointly against the MDF and FIDESZ, because some thought that they had a hunch that the two parties were approaching each other. I believe that in this case FIDESZ was the primary target. Their innocence had to be tarnished in part by spreading rumors about having become mixed up with the MDF, and in part by claiming that FIDESZ was not that clean either, because even if no illegality occurred, their morals have become blemished in an ugly way. Needless to say, this incident did not adversely affect the MSZP either, although, if the affairs of all party headquarters are reviewed some day, and attention is not focused on this one instance alone, some parties are going to have some moral problems. (According to reliable sources, some parties denied the existence of 4,000 square meters of space within a single building.)

FIDESZ, whose partly artificially created prestige had been tarnished by the attacks, was forced to bow to the SZDSZ's offer to negotiate. The question is, of course: How much the agreement is worth, how much of it can be enforced? In my view the marriage will either not last long, or is going to be burdened by much discord.

Signs indicate that the FIDESZ membership in particular has difficulty in accepting the new situation. One can also see that some SZDSZ members at the local level, as, for example, in local governments, once again lean toward viewing FIDESZ as a subsidiary organization of the old liberals, and that FIDESZ members are uncomfortable with the idea of once again having to present themselves in public as the youth organization of the SZDSZ. They, too, are aware: Not much good is being bestowed upon them, considering the present situation of the SZDSZ.

And then the time will come to nominate and to withdraw candidates. Just how much agreements with the Free Democrats concerning withdrawals of candidacies are worth can be described by the Young Democrats based on their experiences in 1990, just as by certain 1990 National Assembly candidates of the MDF.

I cannot tell the future. I still say, however, that a divorce suit might be filed sooner than expected.

* Viability of Decentralization in Privatization

93CH0850B Budapest FIGYELO in Hungarian
15 Jul 93 pp 14-15

[Article by Eva Voszka: "Organizational Decentralization: The 'Piecemeal Sale' of Enterprises"]

[Text] The breaking up of large state-owned firms into smaller units again became a program plank last year. This time, attention focused on organizational decentralization—or the piecemeal sale of enterprises, according to the new officialese cant—because it allegedly enhances privatization. The most important objective of the privatization strategy developed in 1992 is to create a new Hungarian middle class of proprietors, and the carve-up of enterprises is intended to adjust the structure of supply to the foreseeable structure of demand [for state assets]. Although the actual motive is rooted to a large extent in ideological and power interests, economic rationality is not being relegated to the background either. Because, on the one hand, the program of carving up enterprises reflects the realization that most large units could hardly be privatized in one lot; and, on the other hand, decentralization increases the number of players in the market. Thus, two basic requirements of an effective market, namely private ownership and competition, can be reinforced simultaneously.

The wave of privatizations that has begun in 1992 is following essentially the course of privatization on the state administration's initiative, and of spontaneous enterprise-initiated privatization, respectively. Hostile carve-ups, which often are split-ups resulting in the firms' dissolution, or at least decentralization plans have affected up to now primarily the food industry, and those parts of trade that have been left untouched by preliminary privatization. The most spectacular examples include KOZERT [Municipal Food Trade Corporation] in Budapest, the food-store chains of northern and southern Hungary, and the baking industry. The number of split-off units scheduled for privatization include 29 in the dairy industry, 115 in the baking industry, and 244 in the grain [milling] industry.

There are two ways a firm can be carved up. Either the firm offers parts of itself for sale, or the AVU [State Property Agency] takes over and then sells an enterprise's assets. The proceeds from the sale go to the state agency that oversees the given enterprise, but in the latter case the AVU must guarantee repayment of the debts, up to the value of the assets it had taken over. An advantage for investors, among whom we may include also groups of the enterprises' workers and managers, is that the favorable buy-out methods—E [Existence Fund] loans, for instance—can be employed only in this manner.

Salvage Operation Sacrificing Some Assets

It is typical of carve-ups of the "firm-salvaging" kind that the plants and factories are sold on the parent enterprise's initiative, or at least with its consent, but with the AVU's approval, and the proceeds are plowed back into the remaining unit, for its financial rehabilitation. In most cases, its debts are paid off or reduced. In the opinion of some experts, most of the recent decentralization measures fall in this category. Noteworthy, because of the transaction's order of magnitude, is the case of Orszagos Erc- es Asvanybanyak [National Ore and Mineral Mines]; the sale of its five limited-liability subsidiaries netted about one billion forints, which was then used to pay off debt.

Occasionally a carve-up does not require a direct decision by the state, only the exertion of its influence behind the scenes. In the spring of 1992, Szerencsejatek Rt. [Lottery Corporation], whose ample coffers (and close government contacts) are public knowledge, bought the Danubius hotel chain's casino for 800 million forints. The corporation's outside auditor felt that the price was too high. Whereupon the corporation, instead of reducing its offer, got rid of its auditor. The AVU denied neither the deal itself, nor that the price was excessive. With a measure of cynism, one of its top managers brushed any criticism aside by pointing out that the seller and the buyer were both state-owned. The proceeds from the sale flowed into the hotel chain, rather than the AVU. Thus, on the central government's prompting, the firm's financial situation was improved with money that otherwise would have flown into the state budget.

Between the two extremes of "hostile" and "firm-salvaging" decentralizations there is also a third type that may be called "skimming." In this category belong the split-offs where the proceeds from the sale of the better units are used by the parent enterprise, but eventually—and perhaps contrary to the AVU's intentions—this move affects the remaining firm adversely: it slows down the implementation of the already elaborated privatization plans or substantially worsens their ability to generate income, while easing the remaining firm's liquidity problems for only a short time.

In the final outcome, organizational decentralization of the "firm-salvaging" type and partially also "skimming" resemble the phenomenon of spontaneous privatization that was condemned for running through the assets. Such moves in 1990-1991 often cost enterprise managers their jobs; but blocking such moves led to bankruptcy, rather than to more successful privatization. It will suffice to cite the well-known example of Ganz-Danubius. The group's chief executive was preparing to sell Obuda Island, in order to pay off debt from the proceed and to revive the other shipyards. Placing the group under direct state management not only cost him his job, but also shattered the prospects of the entire shipbuilding industry.

Yet, essentially only the element of a direct state decision or state influence distinguishes this procedure from the actions in 1992. Not even sales involving "spontaneous privatization" can be regarded as running through the assets, if the proceeds obtained in this manner are used for investment or debt reduction. A centrally authorized split-off with the plowback of the proceeds is recognition of the fact that a part of the firm has passed into the creditors' hands, and that the firm's rehabilitation and the clearing of the AVU's title to the firm require a sacrifice: By sacrificing a smaller portion of the firm's assets, a larger slice of state assets can be saved from bankruptcy and perhaps privatized later for a good price.

Although the favorable features of "salvaging" are augmented also by its beneficial effects upon the market, its drawbacks must also be recognized. Now the state machinery is granting permission to sell specific subdivisions and plants, or the state machinery itself initiates such moves. This means that "spontaneous privatization's"—as well as the Spin-Off Law's—organic form, which is based on

bargaining within the enterprise sphere, has proved to be merely a short detour. Organizational changes have switched back onto the track of bureaucratic decisions. (It should be noted that, in addition to carve-ups, also amalgamations have started, for they too fit into the logic of centralized ownership, and the slogans of reorganization apply to them as well. The power plants and the mines are good examples.)

The AVU Wants a Cut for Its Stamp

But decisions within the state machinery necessarily involve special deals that affect decentralization itself, as well as the sharing of the proceeds between state and enterprise. Often the deal is that the AVU gets a share of the price, in exchange for its stamp on the permission to sell. On other occasions the firm's "needs" determine the proportion that is retained, but the AVU sets the exact amount. In any event, the parent enterprise's share necessarily reduces the state's revenue from privatization, and for the firm that share constitutes a subsidy. Through the state machinery's selective decisions, this hidden subsidy—it substitutes lost revenue for direct expenditure from the state budget, and avoids public scrutiny—grants individual firms the opportunity to survive and undergo privatization. In 1992, this redistribution of income and enterprise standing joined the ranks of methods based on similar motives—namely, debt cancellation, debt rescheduling, and government loan guarantees.

Thus, the individual types of organizational decentralization meant new forms of central redistribution—in other words, they acted in a direction exactly counter to market development. But have they at least helped to achieve the declared objective, the acceleration of privatization?

Enterprise-salvaging and skimming undoubtedly lead to selling portions of state assets that could not have been privatized in large units. Often the sales should follow strict schedules to ensure that the flow of proceeds can be used to repay debts as they become due. But the buyers are not bound by such schedules; to the contrary, delays could produce gains for them. And even if the temporary financial rehabilitation is successful, there is no guarantee that the parent enterprise will be salable later on. We should add that most carve-ups, especially in industry, do not create supply for small investors, because the plants and factories usually have proved too large for them even so. (In recent months, several of the private firms that submitted the winning bids in tender offers subsequently have had to revoke their bids, because they were unable to obtain financing.)

A Growing Sense of Vulnerability

Up to now, however, the other group of decentralization plans, centrally initiated hostile decentralization in particular, has definitely slowed privatization down. The sales in one lot announced earlier, for which the preparation of transformation and privatization plans had required months of effort, now have to start again practically from scratch. With the stroke of a pen, the AVU cancels contracts with consultancies. Perhaps new consultants have to be found. But even if not, there necessarily follow new negotiations and agreements, the elaboration of a new concept, the

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planning of a new tender offer, the targeting of a new circle of investors, the updating of the assets' valuation; not to mention the procurement of new licenses and documents (new ownership-pages from the land register, for instance). The psychological effects of this lengthy process must not be underestimated either: There is a growing sense of unpredictability, uncertainty, and vulnerability in every player.

Over and above this short-term effect, it would still be too early to start guessing how the combination of decentralization and privatization will develop in the future. But one thing is certain. With the end of compulsory transformation into business associations, carve-ups have become more difficult, at least in a technical sense. Under the new

organizational form, the state—even as the majority or sole holder of equity—can act only within the limits of the Business Associations Law's provisions. It has a choice between splitting up a firm into several corporations, or reducing its authorized capital. Furthermore, administrative decisions have to be carried out in accordance with the rules governing shareholders' meetings. The results to date provide food for thought as to whether the change is worth regretting. But before we start rejoicing serenely over the curtailment of interference by the state machinery, let us bear in mind that within state industry itself the problem of how to ease organizational overcentralization is still largely unsolved.

*** PSL Leader Discusses Elections Program, Goals**
*93EP0337A Warsaw POLITYKA in Polish No 32,
7 Aug 93 p 6*

[Interview with Polish Peasant Party leader Waldemar Pawlak by Janina Paradowska and Mariusz Janicki: "What the Elves Did: Let Us Not Sell the Good Cow"]

[Text] [POLITYKA] Isn't it possible that the coming parliamentary elections will afford an opportunity for a broader peasant coalition to finally be formed? Why has one not yet been formed?

[Pawlak] Let us go back a few months, when the parliament still existed. It was there that coalitions and blocs should have been sought, but, at the time, the parties that, outwardly considered, could be the base for our coalition pursued different directions, some coming close to the ZChN [Christian-National Union] and others to the Democratic Union [UD].

[POLITYKA] So some supported the government, and others were in the opposition, but, basically, their programs were similar.

[Pawlak] But we should not overlook the facts. Those other parties showed no conciliatory signs, so we looked for support elsewhere.

[POLITYKA] Couldn't a big party like the PSL [Polish Peasant Party] itself show initiative in reaching an accord?

[Pawlak] We responded to particular situations without trying to terminate their existence or their right to operate on the political scene.

[POLITYKA] Are you referring to the attempts to gain possession of some of the PSL's assets?

[Pawlak] Not necessarily. But it is difficult to live in concord with partners who are trying to gain domination, although the actual extent of their base of social support is unknown. In other words, the absence of a coalition coincided with the existence of the parliament rather than with the period following its dissolution. If someone has been treading on our feet for two years, he cannot expect us to suddenly become his electoral allies.

[POLITYKA] What is linking you to the PPS [Polish Socialist Party], which has always vehemently attacked the "roundtable" social contract?

[Pawlak] Why are you asking?

[POLITYKA] Because members of that party are candidates for the parliament on the electoral lists of the PSL.

[Pawlak] That is their decision, not ours. Candidates for our lists were chosen locally. If such candidates were also passed by the voivodship PSL conventions, that means they are accepted.

[POLITYKA] Is it true that you decided that individuals named on the so-called Macierewicz list will not be included among PSL candidates in the elections?

[Pawlak] The Macierewicz list has an odd history. As is known, former Minister Macierewicz made some fatal errors. Hence, his list can hardly be considered seriously.

[POLITYKA] Meaning you deny that the list was used when compiling your party's electoral lists.

[Pawlak] We followed no such criterion when picking our candidates, which does not mean that we are going to recruit precisely former secret agents of the Security Service.

[POLITYKA] Not so long ago, you mentioned that the PSL deputies who did not hew to party discipline in the Sejm would have to suffer the consequences, that they could not expect to be renominated. Yet one of those deputies, Tadeusz Sytek, was renominated.

[Pawlak] The balloting at the nominating conventions was secret. Under the PSL's statute, voivodship lists are determined in the voivodships. Period.

[POLITYKA] It is said that as many as 90 percent of former PSL deputies were renominated.

[Pawlak] The fact that they are candidates does not mean that they will win seats in the parliament. They are not necessarily named at the top of the lists.

[POLITYKA] Don't you think the elections afford a good opportunity for rejuvenating the PSL's membership?

[Pawlak] In the old Sejm, we had 90 deputies, whereas our nominating lists name 800 candidates, so new blood is quite possible. It is the voters who will decide on its extent.

[POLITYKA] Recently, you have been adopting a strongly populist tone in your appearances. You advocate placing crooks and thieves behind bars and introducing a new general order under the aegis of the PSL. Those slogans have already been used by several other politicians to gain power, but somehow they failed to translate them into reality after gaining power.

[Pawlak] Don't you think swindlers and thieves should be stuck behind bars?

[POLITYKA] We are concerned about the tone of your comments, about heating up public outrage against scams.

[Pawlak] I think the very idea is right. I do not believe there is any other solution. Scams exist and have to be combated. This is not populism.

[POLITYKA] Let us discuss the PSL's program. What is your stance on the problems of inflation and the budget deficit?

[Pawlak] Economic textbooks state quite clearly that there exists no experimentally confirmed relationship between the size of the deficit or the level of inflation and the economic growth of a country. There is no direct relationship. As for the budget deficit, it cannot be seen as something static, in the perspective of half a year, as has happened. It has to be viewed dynamically. In the United States, the budget deficit has been relatively high for many years, but, under the Republicans, it stimulated economic growth.

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[POLITYKA] In its time, sir.

[Pawlak] Well, yes, but solutions that afford opportunities for growth should be explored. Consider for example the issue of building superhighways. That is no new idea, anyhow; that could have been begun much earlier. Anyhow, that is a good way of creating new jobs instead of merely paying unemployment benefits to the jobless.

[POLITYKA] But, sir, how does the PSL intend to present itself in the coming elections? Next to the KPN [Confederation for an Independent Poland], you have become known as the most antireform party on the political scene. The KPN and the PSL are mentioned in the same breath.

[Pawlak] I view that matter from the standpoint of similar program planks rather than similar politics. We are concerned with explicit identification of political and economic objectives rather than with pinning labels. I do not need to mention what was ardently espoused in the past era and what the outcome was.

[POLITYKA] What then are your party's economic objectives?

[Pawlak] The branches of the Polish economy that can rapidly rise to the world level should be identified.

[POLITYKA] What are they?

[Pawlak] Light industry and the farm and mineral industries. Also, the fuel and plastics industries. Transportation and telecommunications are indispensable.

[POLITYKA] What about privatization? In your meetings with voters, you bluntly referred to the sellout of national wealth.

[Pawlak] Privatization is only a means, not an end. It would be a mistake to privatize for ideological or doctrinal reasons and sell a factory in which \$500 million has been invested in recent years. Consider that 80 percent of shares in that factory is being sold for \$150 million.

[POLITYKA] Which factory are you referring to?

[Pawlak] The pulp and paper plant in Kwidzyn. Or there is an agricultural processing plant that is being sold at a price below the machinery installed there. That is a misunderstanding.

[POLITYKA] Then what kind of privatization is supported by the PSL? The sale of the worst-performing enterprises?

[Pawlak] Yes, precisely. Sell only what is not being utilized. Where does the state budget deficit come from? Did the elves cause it? It is being caused precisely by such ill-considered privatization decisions as to sell the best plants, which are already prospering and paying taxes. Nowadays, they are being sold and, what is more, the buyers are gifted with tax breaks for six years. If we assume that the state budget is to be financed from the worst-performing enterprises, we shall always have huge problems with it.

[POLITYKA] Meaning that the government is acting rather unpatriotically?

[Pawlak] You said and concluded it. As far as I am concerned, let me say that, if I have one bad cow and one good one, which would I sell first? The bad one, of course.

[POLITYKA] What then is the main principle of privatization according to the PSL?

[Pawlak] Privatization is merely a means of streamlining management. For each objective, a proper organizational structure has to be selected. Many such forms have been thought up, from private ownership through capitalized companies and cooperatives to state ownership. Our draft of the Constitution specifies equal treatment of all those forms.

[POLITYKA] Then you disagree with the mass privatization project?

[Pawlak] What does that mean? That some factories will be transferred to the National Investment Funds and others remain on the other side of the fence? That some factories will be granted tax relief and exemptions from the tax on wage increases and others will not?

[POLITYKA] But joining that program was voluntary.

[Pawlak] It is a legacy of the previous system. Exactly. The private peasant was burdened with taxes other than those levied on farmers who joined the cooperatives. That is the kind of philosophy we should discard. It is no longer practiced anywhere else in the world. Proper forms of ownership have to be selected. No one will establish corporations in order to manage a single farm. That principle must be understood. Let us not impose privatization where it is unnecessary.

[POLITYKA] What are your political goals?

[Pawlak] Our basic goal is a democratic society with a republican form of government. We should avoid creating an aristocratic and oligarchic state based on narrow ruling elites that protect each other's interests without including broader social groups.

[POLITYKA] Then you prefer the parliamentary-cabinet system, do you not?

[Pawlak] Yes.

[POLITYKA] But a parliament without the Senate? The PSL has long desired to eliminate that upper chamber.

[Pawlak] The Senate is an institution whose existence is hard to justify from the utilitarian standpoint. Every institution has to satisfy a purpose. If the Senate is to act as a chamber for reflecting on and pondering issues, electoral law should be amended so as to include among its membership individuals with some experience at higher levels of administration, politics, or the economy. We once proposed that the Senate be a self-government chamber; this is better than its present form.

[POLITYKA] Inasmuch as we are speaking of models of democracy, what is your attitude toward the BBWR [Non-party Bloc in Support of Reforms]?

[Pawlak] We shall discuss that after 10 August—that is, after the deadline for nominating candidates to the Sejm. I need not comment on that matter because there may be no need

for it after all. For the time being, the BBWR's approach to the elections is rather lackadaisical.

[POLITYKA] At first you criticized the BBWR, but now you are avoiding the subject.

[Pawlak] Various labels have been pinned on me. At one time I was treated as an executor of the thoughts and concepts of President Walesa, and now attempts are being made to place me at the opposite pole.

[POLITYKA] What is the truth?

[Pawlak] Neither interpretation is true.

[POLITYKA] What will the postelection picture be like, in your opinion?

[Pawlak] I think that about 80 percent of seats in the Sejm will be won by just four parties.

[POLITYKA] Which ones?

[Pawlak] Latest estimates indicate that they may be UD, the SLD [Democratic Left Alliance], the KPN, and the PSL.

[POLITYKA] Meaning that there are no chances for forming the next government, and the president may be right in predicting that the next elections will be held as soon as in the spring?

[Pawlak] My God, since the UD and the ZChN achieved a reconciliation, perhaps it is possible after all for those four parties to form a milder coalition. Yes, definitely so.

[POLITYKA] Do you expect the Catholic Church's support in the coming elections?

[Pawlak] Political parties are active in a somewhat different domain from that of the church, and I do not think there is any need to confuse those institutions.

[POLITYKA] But various parties are courting the support or at least the neutrality of the Catholic Church.

[Pawlak] We appreciate the church's role in Poland in recent times. We are aware that the church has preserved many values that are extremely appropriate right now. But we do not think there is any need for the church to become involved in politics. Its recent declarations indicate that there will be no such involvement.

[POLITYKA] How do you view the recent personnel changes at the Ministry of Agriculture and the related letters of the president to Prime Minister Suchocka?

[Pawlak] It is a rather odd combination of circumstances that the chairman of the Farm Market Agency was dismissed right after grain price controls were imposed, although we believe they were fixed in accordance with objective principles. The reasons given for his recall are strange because those facts were known to the government leadership for many months. I thus do not quite understand those reasons.

[POLITYKA] Speaking of the Ministry of Agriculture, what do you think of the decision of the-then Minister Janowski to return the mansion in Rozalin to its former owner? That affair gained wide publicity.

[Pawlak] Rozalin is an example of the triumph of ideology over common sense. There are other ways of compensating former owners for expropriated property. The people's university housed in that mansion happened to be a model institution of its kind. But that case also shows that privatization should be accompanied by settling the problem of reprivatization, whose scope should be made fairly narrow and which should be carried out rapidly. Historical justice can never be completely done because it will not satisfy everyone anyway.

[POLITYKA] Who is nowadays the greatest rival of the PSL in the countryside?

[Pawlak] Mr. Janowski's recent decision to campaign for the elections independently on behalf of something called PSL-Peasant Accord has resulted in a rather strange situation. He put on a completely new disguise, and his party will surely be our biggest rival. Besides, this is the third time he has changed his stripes, which seems to be par for the course as far as he is concerned.

[POLITYKA] Is he a genuine threat to you?

[Pawlak] Not quite. There is always something irritating about a party that at first opposes certain symbols and, subsequently, changing its direction as the wind blows, during the electoral campaign, espouses them. Is it now shameful to be of Solidarity origin?

[POLITYKA] What about Lepper's Farmers Self-Defense?

[Pawlak] That group has no great influence among rural dwellers. Once we see the electoral lists it offers, we shall be able to say something more about it. I believe that, even so, Lepper's group is still relatively mild but will stir real trouble if the government continues its current policy.

[POLITYKA] How do you view the electoral campaign so far?

[Pawlak] The mass media consistently ignore us. They forget about facts of importance not just to the PSL. I can understand it if the newscasts do not show our participation in the commemorative services at Michniow, but, if WIA-DOMOSCI, following a brief mention of the anniversary of that pacification, so symbolic of the fate of the Polish countryside, presents a lengthy article on a convention of Silesian landsmen's associations in Germany, I have to admit that I do not understand that. Given such an information policy, a few years hence we may be excusing ourselves for having started World War II. The so-called objectivity of presentation of information and the avoidance of electioneering must have their limits. As for the electoral campaign itself, it is slowly getting into high gear. Only its end will be sharply contested.

[POLITYKA] Thank you for the interview.

* Coalitions, Postelection Perspectives Viewed

93EP0335A Warsaw RZECZPOSPOLITA in Polish
21 Jul 93 p 3

[Interview with Bogdan Borusewicz, Solidarity hero, by Piotr Adamowicz; place and date not given: "I Am Not Sure the New Sejm Will Last Until the Spring..."]

POLAND

[Text] [Adamowicz] In recent weeks you vacillated between running for the Sejm on behalf of the BBWR [Nonparty Bloc in Support of Reforms] and on behalf of the Democratic Union [UD]. Might not such indecisiveness affect a politician's popularity?

[Borusewicz] That was an important decision; it was better to hesitate than to be hasty and make the wrong decision. I think I did right in becoming an UD candidate.

[Adamowicz] Why are not you a BBWR candidate?

[Borusewicz] I received various offers, but I always analyzed them not only from the personal viewpoint but also from that of the entire group of members of the parliament rallied around myself. I finally reached the decision that the BBWR is too amorphous and heterogeneous a grouping. I cannot see the BBWR as showing the will to conform to my goals. That is why I withdrew from it.

[Adamowicz] What BBWR would suit you?

[Borusewicz] Probably none. I am by education a historian and aware that this appellation has a negative connotation.

[Adamowicz] Excuse me, but didn't you and your associates declare at a press conference that you had chosen the BBWR?

[Borusewicz] Ultimately, three of my colleagues opted for the BBWR. That is their sovereign decision, which I respect.

[Adamowicz] So now one of the historic leaders of Solidarity will become one of the stars of UD. Right?

[Borusewicz] The Union has too many stars for me to become another. The Union is an organization about which one may have many reservations, but it cannot be accused of being antidemocratic.

[Adamowicz] Which parties are antidemocratic?

[Borusewicz] Those that are based on leaders rather than on stars. Their structures are organized on the leadership principle. The leader always knows best and is always right. There are a couple—for example, the KPN [Confederation for an Independent Poland] and "Self-Defense."

[Adamowicz] What is the BBWR?

[Borusewicz] It is a kind of mass movement, like the citizens committees, but organized at a different level and with different people. It seems to me that a movement of that kind does not speed up building the party system. A reheated dish tastes different.

[Adamowicz] The BBWR is the president's movement and, it seems, he can intervene in it as the need arises.

[Borusewicz] Yes, but not completely. The affair of Andrzej Urbanski, who was designated as the press spokesman and then recalled by the BBWR's Electoral Committee, shows that guiding the BBWR is possible only up to a limit.

[Adamowicz] Does that mean that Lech Walesa cannot cope with a body he himself called into life?

[Borusewicz] Lech Walesa has coped well with the organizations he cofounded. But, to me, the Urbanski case was a factor influencing my decision.

[Adamowicz] Aren't you exaggerating? As a politician with nearly 20 years' experience, an organizer of the Free Trade Unions and the August 1980 strike at the Gdansk Shipyard, a cofounder of Solidarity during the martial law era, and a man whose disciple Lech Walesa acknowledges to have been, how can you not become a BBWR leader?

[Borusewicz] It may be that I could become one. The question is whether I want to. I wanted to influence the BBWR's program. I feared that the bloc might not be part of a rational political alignment of parties. I was not going to translate into reality all of the ideas of the "Network." Let them do that on their own because it includes distinctly antireformist forces, now dormant but longing for a return to old times. Those people think that the larger a workplace the more important and precious it should be to the government—let alone the idea of "300 million."

[Adamowicz] You wanted all of the former Solidarity members of the parliament who support you to be nominated on the electoral list of a single grouping. Should they win in the elections, they could become the base for establishing a political grouping. Do you admit your defeat?

[Borusewicz] Yes and no. Three more persons could have been UD candidates. That is eight altogether.

[Adamowicz] But I am thinking of the BBWR.

[Borusewicz] I admit that I had entertained the hopes you referred to. But, in the presence of a conflict between my becoming a BBWR candidate and the values I profess, I opted for my values. A politician cannot merely focus on becoming elected to the Sejm; he has to consider what happens after the elections and what the next gambit in this political game of chess will be.

[Adamowicz] Is it true that you decided not to become a BBWR candidate after talking with President Lech Walesa?

[Borusewicz] Our conversation was a major reason I did not opt for the BBWR. I listened to the president outline the prospects for Poland for the next dozen or so months, but I do not intend to divulge the subject of semiprivate meetings.

[Adamowicz] Still, what could be the prospects for Poland?

[Borusewicz] It is unfortunate that a grand electoral coalition has not been formed. I supported reaching a broad consensus by parties ranging from the ZChN [Christian-National Union] to Labor Union. Afterward, an opportunity arose for a narrower coalition (of UD, the KLD [Liberal-Democratic Congress], the Polish Convention, and our group). They had talks three times, but it turned out that such a coalition would not work. We politicians bear the responsibility for it and also for the consequences. If the supporters of Wieslaw Chrzanowski, Aleksander Hall, Donald Tusk, and Ryszard Bugaj are not present in the coalition, that will adversely affect the condition of the Sejm. I am not claiming that those parties will fail to cross the electoral threshold, but, for the time being, they hang in a vacuum.

Unfortunately, certain politicians preferred partisan and personal interests. The absence of a broad coalition means that the present government will probably collapse after 19 September. A new one will have to be formed, and that will be terribly difficult. What kind of government can be formed in coalition with the KPN, the PSL [Polish Peasant Party], and the SLD [Democratic Left Alliance]? Any of those parties will want to slow down the reforms. And, even if a government is formed, a crisis will arise as soon as the budget act has to be voted on. The new Sejm will be dissolved in March. Lech Walesa will formally establish a presidential party and provide final proof that the parliamentary system compromised itself in Poland.

[Adamowicz] Will there be no new elections?

[Borusewicz] They will be held because elections are always needed—not only for the sake of democracy but also in order to legitimize nondemocratic rule. Certainly, in one way or another, Andrzej Olechowski will become prime minister.

[Adamowicz] Perhaps right after 19 September?

[Borusewicz] That scenario is possible should the Sejm be completely split. But that is bound to happen in the next Sejm anyway. In a sense, the outcome will be such that the old president will score a new victory.

But a quite different outcome is also possible. Should my Solidarity colleagues join in the electoral campaign by declaring strikes, beginning with government employees on 31 August—and such plans do exist—the president may postpone the date of the elections, and, once that is done, an important precedent will have been created.

* Results of Public Poll on Vital Political Issues

93EP0335B Poznan WPROST in Polish No 30,
25 Jul 93 pp 15-17

[Article by Jerzy Gluszynski, director of the Pentor Institute for Research on Opinion and Marketing: "Half And half. What Do Poles Want?"]

[Text] *The open market is supported by 28 percent of Poles, and 57 percent are ready to accept certain restrictions in order to promote domestic manufacturing.*

The public is taking a very critical view of the doings of the last Sejm, as indicated by the Pentor polls commissioned by the weekly WPROST. Barely 17 percent of the respondents approved (of whom 1 percent approved wholeheartedly), while 82 percent were hostile (of whom 29 percent were very hostile). The president's decision to dissolve the Sejm and order new elections was accepted as correct by nearly 80 percent of Poles. A majority (61 percent) evaluated it as a sign of "responsibility for the country," although many (37 percent) consider it chiefly as showing that the president is looking out for his own interests first.

Thus, the parliament had to be disbanded because it did not assure the possibility of forming the next government. That opinion is shared by nearly 70 percent of the respondents in the Pentor Institute poll. Nearly every second respondent

(49 percent) believes that the performance of the new Sejm will be just as bad. Some (7 percent) do not even preclude the possibility that it may be worse; still, a substantial proportion of the respondents (40 percent) expect at least some improvement.

The poll points to a basic polarization of Polish public opinion on the principal institutional and social issues.

Those supporting a continuation of the policy currently pursued by Hanna Suchocka's Cabinet are more or less as many (38 percent) as those opposing it (35 percent).

At the same time, 43 percent of Poles consider Suchocka's government to be better than any previous postcommunist one.

A similar large proportion of the respondents (40 percent) supported keeping the budget deficit from increasing, subjecting all the domains of the economy to equal market rules (38 percent), reducing personal and corporate taxes with the object of stimulating the economy (52 percent), and discontinuing the division into higher and lower categories of citizens (45 percent).

The "policy of continuation" is supported by city dwellers (and most consistently by Varsovians), people with secondary and higher educational backgrounds and higher-than-average incomes, those working in the private sector (both proprietors and employees), those who have a better-than-average idea of the economic situation and support more often the orientation of the changes occurring in Poland, and people who declared their intent to vote for UD [Democratic Union] and the KLD [Liberal-Democratic Congress], as well as for the Center Accord [PC], the RdR [Movement for the Republic], the Conservative Party, the SLCh [Christian Peasant Party], and sometimes also for the SdRP [Social Democracy of the Polish Republic], the PSL [Polish Peasant Party], and the KPN [Confederation for an Independent Poland].

Public opinion most often ascribes the desire to continue the policy of H. Suchocka's Cabinet to UD and the KLD, but often also to the BBWR, or the Nonparty Bloc in Support of Reforms, which was established on the president's initiative. Opponents of that policy are thought to be the KPN, the PSL, NSZZ Solidarity, the RdR, the SdRP, and Peasant Accord [PL]. Those are at present the main groupings in the political alternative.

The parties most consistently championing the idea of blocking an increase in the budget deficit are thought—by public opinion—to be UD, the KLD, and some of their coalition partners, such as the ZChN [Christian-National Union], but also the RdR, the PC, and the supporters of the BBWR. The supporters of an increase in the budget deficit, with the object of raising the salaries of government employees and pensioners, are thought to be chiefly the PSL and the KPN (in equal proportions of respondents), followed by the SdRP and NSZZ Solidarity.

The parties that consider as sacrosanct the application of market rules to all domains of the economy are thought by the respondents to be the KLD, UD, the PC, the SdRP, and the BBWR.

On the other hand, the peasant parties—the PSL, the SLCh, and the PL—are suspected by the respondents of championing preferences for domestic agriculture.

The most effective efforts to reduce corporate and personal taxes are being made, in the opinion of the respondents, by representatives of the KLD, the KPN, and UD, as well as by (to a lesser extent) the RdR, NSZZ Solidarity, the SdRP, the Conservative Party, the ZChN, and the PSL.

To be sure, the BBWR is often ranged on the side of supporters of lower taxes, but it also is more often than not regarded as a champion of sufficiently high taxes to satisfy the most important social needs. Thus, the BBWR is viewed in the same way as Solidarity, which is considered a grouping that demands lower taxes on workers and, at the same time, additional funds for raising the salaries of health-care workers and teachers, an increase in unemployment benefits, and so forth. Supporters of higher taxes are chiefly thought by the respondents to be members of the PC, the PL, the ZChN, and the PSL.

Decommunization and lustration (also in the Presidential Chancellery) are demanded, in the opinion of the respondents, chiefly by the RdR and the KPN, which in this competition are quite ahead of Jaroslaw Kaczynski's PC, the ZChN, the Conservative Party, and the PL. The opposite option is most often ascribed to the SdRP, but also to UD, the BBWR, and the KLD.

In general, public opinion rejects a policy of privatizing national property imposed from the top down.

Less than 20 percent of the public supports privatization—chiefly, the employees of the already privatized branches of the economy and people with high earnings and higher educations who support the direction of the changes occurring in Poland. They intend to vote for the KLD, UD, the SLCh, and the RdR. It is to them also (excepting the RdR members) that public opinion is ready to ascribe the epithet of "the most zealous privatizers."

Cautious privatization implemented with the consent of the work forces of the enterprises concerned is most often supported by employees of state workplaces, people with elementary and secondary educations, and small-town dwellers, whose incomes are average, who assess critically the country's economic situation and who do not accept the direction of the changes occurring in Poland. They will be the electorate of the PL, the PSL, the SdRP, the KPN, and NSZZ Solidarity.

Twenty-eight percent of the respondents support an open market, assuring everyone free access to any goods regardless of their origin. A majority (57 percent) are ready to accept restrictions, with the object of promoting domestic manufacturing, and a substantial proportion (41 percent) accept granting special preferences to domestic agriculture. Those most often accepting preferences for domestic agriculture and restrictions on the influx of foreign merchandise are males, rural and small-town dwellers, and owners of

farms and agricultural companies, who intend to vote for the SLCh, the ZChN, the SdRP, or the PSL.

The supporters of "controlled access to foreign products" are most often thought to be members of the SLCh, the PSL, the PL, the RdR, the SdRP, the ZChN, and NSZZ Solidarity. In their turn, the champions of an "unrestricted world market" are believed to be members of UD, the PC, and the Conservative Party.

Similar proportions exist between supporters and opponents of rapid integration with the European Communities. Definitely prevalent (51 percent versus 20 percent) is the opinion that cooperation with the Western countries should be approached cautiously so as to avoid loss of national sovereignty. A rapid adaptation of economic and social rules to the principles binding within the EC is desired chiefly by young people with higher educations and good earnings, who have a clearer idea of the economic situation and accept the direction of the changes occurring in this country. They are chiefly the electorate of the KLD and UD. It is to them, too, that orientation of this kind is most often ascribed, although the respondents also ranked the BBWR in a similar category.

Slow integration with the EC is supported by potential ZChN, RdR, PSL, and SdRP voters. Efforts to restrain rapid integration are being made, in the opinion of the respondents, chiefly by the PL and the PSL, as well as by the KPN, the SdRP, and the PC.

Eventual military integration with the West is desired chiefly by KLD and UD voters and, to a somewhat lesser extent, by Solidarity voters.

The least enthusiasm for NATO was declared by SdRP and PSL supporters.

Thus, while pro-NATO attitudes are most evident within UD and the KLD, the desire to base national defense policy on our own Army and on cooperation with the neighboring countries is associated, by the respondents, chiefly with the ZChN, the KPN, and the SdRP.

In public opinion, the parties active in the domain of ideology and committed to propagating their particular values, especially as regards favoring or opposing the influence of the Catholic Church and the "Abortion Law," are principally the ZChN, the Conservative Party, and the SLCh. Located on the opposite pole are most often the SdRP, UD, and the KLD.

Despite the common complaints about the weakness of the multiparty system in Poland, it reflects rather accurately the diversity of social opinions on the most important political issues, which are so dispersed that they guarantee neither a secure continuation of the policy of the present Cabinet nor an unequivocal vision of the rejection of that policy. Assuming optimistically that the parties' file cabinets abound in valuable alternative programs (and that the governing parties follow a vision of modernizing the policy pursued so far), these are certainly unknown to the public. Hence, is an efficiently operating parliament possible in such a divided society?

*** Private University Officials Discuss Education**

93BA1282A Bucharest TINERETUL LIBER in Romanian 13 Jul 93 p 7

[Article by Florin Antonescu: "In Our Editorial Offices, Experts Give Their Views on University Evaluation and Accreditation"]

[Text]

Private Universities Speak Out

Avram Filipas, dean of the "Titu Maiorescu" Independent University
"Private education is a reality, being supported by nearly 100,000 young people who wish to study on their own expense. I think that on the basis of this reality all of the authorities involved—directly or indirectly—in the issue of higher education should be extremely receptive. We wait to be understood, to be asked what we have done over these last three years with regard to the obligation we have taken on to organize private education, and we are ready even to offer solutions from our experiences."

"Everyone knows about the letter which four private universities published in the newspaper TINERETUL LIBER. In this letter, we exposed a number of problems that have arisen from the draft law approved by the Senate, based on materials put together at the Ministry of Education—I hope after a serious investigation into our situation. Unfortunately, we have learned that this draft law passed through the Senate very easily without any kind of consistent discussion, and that it contains a great number of provisions which, if applied, would not regulate our field as a law should, but rather would eliminate it entirely. In the letter, we explained our point of view and I want to repeat it here again. In any case, the draft law contains criteria which no private university can meet. I would not want to believe that the people who proposed such criteria knew the impossibility of meeting them and precisely for that reason they put them there. And, we do not believe that there are many private universities without a serious basis, but rather that there are universities built with professionalism and they should be assisted, first of all, by the Ministry of Education."

Momcilo Luburici, dean of the "Dimitrie Cantemir" Independent University

"In the TINERETUL LIBER letter, we also presented a short history of private higher education in Romania. In the previous regime, higher education contained limits on the number of places for students and on standards of promotion for faculty members, which, after 1990, gave birth to a real explosion in the field of universities. Many private universities and approximately 15 state universities appeared in the counties without the possibility of having qualified faculty. It was normal for the Ministry of Education to move to creating certain rigorously scientific qualification standards. But, what happened? Instead of certain criteria which would make it possible to have private education, there is an attempt to impose certain criteria which make its existence impossible: 60 percent of the faculty is there, and many vacancies. So, we run in a vicious

circle: You cannot be accredited unless you have the appropriate faculty, and you cannot have the appropriate faculty unless you are accredited. We have requested that these conditions be imposed after accreditation."

Ion Spanulescu, dean of "Hyperion" University

"With regard to education, it is a pity that we have these battles to the point where political issues begin to intrude. There is no other way to explain such a start against private education. The institutes of private higher education that opened in 1990 were, at the beginning, committed to carrying out a professional education. In the following years, a large number of private universities appeared, some only for sake of earning money. From there, to the point of saying that this is just business, was only one step. But, for us it is not a business. We are working to organize what the state does not wish to support, even though it will benefit from the specialist trained by us.

"In reality, there should be only one kind of education. Whether it be state education or private, it should deal only with organization. We shouldn't be placed along different parts of the same issue, but rather we should be having a dialogue. In 1991, when such a dialogue was attempted, some positive results were attained. But when criteria for the number of professors and for the infrastructure came out, they were rejected. Later, they went back to them. It is probable that certain workers within the Ministry of Education perpetuated these absurd ideas with the leaders that followed and, later on, with the Senate. We are hoping that such a thing does not also happen in the House of Representatives. If private education is hit, state education will also suffer because there will no longer be competition. Arguments are made that we have the greatest number of private universities. Wrong! There are many approved private universities in the United States, South Korea, Japan, and in the former socialist countries."

Constantin Pintilie, dean of the Ecological University

"Recently, I had a discussion with a representative of the European Commission and I asked what is the relationship between university autonomy and education system integration. The number of credit hours, academic disciplines, faculty, and educational plans in European universities are not established by the ministries of education. Faculty standards have destroyed Romanian education. We would also like to have the right to have associate professors because they are the research elites in institutions. Here is how we would also solve the problem of classroom space: Why not have the students go to an institute where a specialist is working, and study there?"

Ion Spanulescu

"Our interwar university experience and international practice do not tie the professor to a single place of work. The prestigious institutes throughout the world have the right to hire temporary professors, for a month or two.... A standard is an outdated concept. Valuable professors are few in number and their skills must be put to maximum use. Should we limit them to a single place of work? This was attempted once before, in 1991, by way of Ianculescu's

famous circular issued from the ministry, which said that a professor had to choose: either the state or private universities. You are aware of the storm that resulted. After a professor ends up poorly paid, he is tied to a single place."

Momcilo Luburici

"The salaries paid to professors are so small that cooperation with private education means a source of income that cannot be ignored. Referring to income, it should be noted that in addition to private and state education there has also been created, let us say, a mixed form: students at state schools accepted on the basis of a tax. In this manner, a false competition is created vis-a-vis private education and the idea of state education is compromised, where, at Cuza-Voda, for example, it had been free. The Constitution of Romania calls for free state education, in accordance with the law. When you still do not have a law on education, can you sell seats at state facilities? On what legal basis? These paid-for seats in state education should be offered to private education, through cooperation."

Ion Spanulescu

"Cooperation is necessary also with regards to space. I agree that universities should have classrooms and laboratories, but there are areas where the infrastructure cannot be attained except at the national level. What do you do, for example, in physics where you have to use a nuclear reactor or a particle accelerator? We also need to think about this with regards to cooperation."

Constantin Pintilie

"I believe it is time to fully analyze whether what was done about the law on accreditation was a good idea, since in the process of drawing up this law no one participated on behalf of the private universities. If the accreditation commissions are going to be formed in a similar fashion, I will have doubts about the objectivity of such commissions."

Avram Filipas

"I do not think it would be a good idea for people to take part in these commissions who do not enjoy the highest credibility in higher education, and people who have not already come out against private education."

Adriana Amzulescu, chief secretary of the Ecological University

"These people are not in agreement with higher private education even though Romanian higher private education has international recognition from the point of view of preparing our students. There have been situations where students from the Ecological University have gone to the United States, France and Switzerland, and have requested, together with their academic program there, analytical programs issued by the Ecological University. On the basis of these programs, the students' years of study at our university were recognized. On the other hand, our Ministry of Education ignores everything that private education does for its students."

Avram Filipas

"I would like to add one more thing. We hope that some of us from the private universities will be called upon to serve in the commissions of the House of Representatives discussing the law on accreditation. I am thinking about the legal and education commissions. We are talking about a professional gesture which involves education. At the same time, we are talking about a directive, a law. The criteria which support its contents must be explained as well as possible by specialist who work within this field. The law on accreditation must regulate this field, assist it and strengthen it, not disestablish it."

The Ministry of Education Responds

Mr. Liviu Maior, Minister of Education

"The Law on the Evaluation and Accreditation of Higher Education contains all the referenced criteria, for both state education and private education. The law has nothing directed against private education. Certainly, it calls for certain criteria which must be respected, and higher private education, in its third year of operation, can resolve many of its problems where it now cites the fact that the ministry and the state are not giving any help. I want to ask: When was the Ministry of Education asked to help? If we look at the programs of the private universities, they are nothing more than direct copies of state programs. Then, the problem of the percentage of professors who must work in a university pursues the elimination of false competition. In any country in the world, a professor paid by the state carries out his teaching duties in accordance with certain standards, and he must carry them out at the institute that pays him. The professor who finds this unacceptable can go to private education."

"There is nothing wrong with this, but what happens in Romania does not happen anywhere else. In Germany, I paid a visit and I saw what they had. There is a single private university at Witten, but it does not copy what the state offers, but rather offers what the state does not. Real competition is not copying, using the same people who teach for the state, then who gather their papers and go to teach from them at a private university or another. I am not going to discuss that in private education there are also competitive universities. But, they must prove this, respecting the criteria. For all universities, state and private, the criteria are good. The reaction of the private universities is not at all justified. Evaluation is not a bureaucratic process, but a long-term process. From what the private university professors say, they have good students and faculty, which means they have nothing to fear from the rigors of accreditation. Therefore, all the arguments that these criteria are difficult are not valid. An evaluation and accreditation takes two to three years. In two to three years, the private universities, if they can, will resolve a large portion of their conditions imposed upon them, and they will continue to operate without anything happening to them. The law on evaluation and accreditation is the first law that will recognize them as universities, because, otherwise, they do not exist. At the end of this year, they will turn out their first graduates."

Somehow the process to recognize them must begin. It is after they receive this recognition that they can legally take the title of university."

*** President Describes Slovakia's Circumstances**

93CH0838A Bratislava SLOVENSKE NARODNE
NOVINY in Slovak 13 Jul 93 pp 1, 3

[Interview with President Michal Kovac by Jozef M. Rydlo; place and date not given: "Twelve Questions to Slovak Republic President"]

[Text] *Michal Kovac, president of the Slovak Republic [SR], granted an interview to the respected Swiss daily L'EXPRESS. That daily is published in Neuchatel, has a circulation of 100,000, and is the oldest newspaper published in French (the first issue was published on 2 October 1738). The president was interviewed by L'EXPRESS contributor Prof. Jozef M. Rydlo, and, with his kind consent, we are publishing the interview in our paper.*

[Rydlo] Mr. President, you were elected to the highest office of the SR with a clear majority but as the only candidate put forward by the HZDS [Movement for a Democratic Slovakia], the party of Mr. Meciar, whom the West, especially its mass media, does not regard as a trustworthy personality. Yet, in Slovakia, the prime minister is one of the most popular political personalities. So, through the person of Mr. Meciar, Slovakia has acquired the image of an unstable link in Central Europe. How do you explain such a difference in judging your government chief at home and abroad?

[Kovac] Although I was elected to the office of SR president as a candidate of the HZDS, I received the support of at least 32 deputies of opposition parties. What also helped was my pledge that, immediately upon election, I would relinquish my party membership. And now to your question. Ascribing to some grossly exaggerated or misinterpreted character qualities of the prime minister an almost destabilizing dimension for the Central European region is wholly inappropriate. Slovakia is a democratic country, irreversibly advancing toward a market economy and striving to maintain the best possible relations with all of its neighbors. A large share of credit for that is owed precisely to Mr. Meciar. Our state's democracy and stability are not and cannot be threatened by the character qualities of one politician. It would be very bad if the stability of such a key region as Central Europe depended on the character qualities of politicians rather than on the system they advocate.

[Rydlo] Slovakia has a democratic Constitution. The way it provides for the distribution of powers is exemplary. But the highest and most important state offices are in the hands of the HZDS. The opposition in and out of parliament speaks of an "HZDS state." Even though Slovak democracy is young, does such a distribution of powers seem normal to you?

[Kovac] In the 1992 elections, the HZDS won, garnering almost 38 percent of the vote. After translating the vote into parliamentary seats, the HZDS took 74 of the 150 seats in the SR National Council. So it is impossible to adopt any measure without the consent of the HZDS club of deputies. That is political reality and a reflection of the choice of the citizens of the SR. That the prime minister as well as the parliament chairman are HZDS members is a free decision of that very parliament. It is no different from how it is in

Austria or Germany. There, too, both of those offices are held by members of the same political party.

In the presidential election, I obtained no fewer than 106 votes, despite the fact that the opposition could block my election. For election, a three-fifths majority of all deputies was required, even though in most European parliaments a simple majority suffices. Nonetheless, I believe that speaking of an HZDS state is an exaggeration. Many mayors of Slovak cities and towns and deputies to community government bodies actually belong to the opposition.

[Rydlo] In your inaugural speech, you gave substantial space to Slovakia's economic situation. You yourself are a banker and know very well that, without foreign investment, your country will not be able to come out of it. But it appears that foreign investors are somewhat hesitant to invest in your country because they believe your young republic is not offering adequate guarantees, such as, for example, your neighbors Poland and Hungary, and, mainly, the Czech Republic. What measures are you planning to adopt to attract more capital to Slovakia, on the one hand, and to allay the doubts of potential investors, on the other?

[Kovac] The SR is a young but democratic state. We already have had free parliamentary and local government elections, and our Constitution defines precisely the rights of the citizen as also the legislative, executive, and judicial powers. Then, too, the process of dividing the former Czechoslovakia passed quickly and peacefully, which was appreciated by the entire world. Nevertheless, many foreign observers doubt the stability of Slovakia. We will have to patiently continue persuading people that we have the same goals as the Czech Republic, Poland, and Hungary.

In regard to the "inflow" of foreign capital, the key role will be played by economic legislation and protection of the foreign entrepreneurs' deposits and investments. I believe that, with time, we will convince even the hesitant investors and that Slovakia will become an attractive country for foreign capital investments. We have a favorable testimonial in the fact that sizable sums have already been invested in Slovakia by such renowned companies as Volkswagen, Jacob Suchard, and Henkel.

[Rydlo] The SR is today a successor state to Czechoslovakia, which was a successor state to Austro-Hungary. The Hapsburgs did not succeed in resolving the problem of Central Europe, nor did the former Czechoslovakia, from Masaryk to Havel. What political role will Slovakia play in the geopolitics of Central Europe?

[Kovac] That does not depend solely on us, of course. Indeed, the Slovaks were never so numerically strong or important that they could think of pushing through their ideas on how to arrange this region, whether during the Hapsburg era or afterwards. Rather, they focused on their defense and the assertion of their identity. We have no illusions that we should be the decisive factor of developments in our region, but most decidedly we want to contribute to them by our openness toward all neighbors, by building friendly and cultural relations, and by intensive economic cooperation.

[Rydlo] Slovakia is a member of the so-called Visegrad Group. Would you accept closer cooperation with its member countries? Are you possibly thinking of some supranational structure that would ease the integration of those former Communist countries into the European Community?

[Kovac] We have more in common with the member countries of the Visegrad Group than mere agreements. We are connected by common history, neighborhood, and mutually interlinked economic relations. We will, of course, endeavor to expand that cooperation, and it is our belief that all of the countries of the Visegrad Group will do likewise. Our long-term objective is integration in the European Community. We welcome all that can assist us in that endeavor.

[Rydlo] Lech Walesa is afraid that a neocommunist system may arise in Russia. Have you spoken about that danger, which could threaten the present achievements of those four countries, during your talks with the other presidents who came to Bratislava, especially Vaclav Havel and Arpad Goncz? How do you perceive the idea of Slovakia's neutrality?

[Kovac] The further course of Russian society may have a significant impact on stability on the European Continent, but I believe that the unsuccessful August coup in Moscow has shown that it will no longer be a simple matter to forcibly bring back the old regime. Slovakia's defense policy is a very complex issue. Since the dissolution of the Warsaw Pact, we unquestionably have had a military-political vacuum in Central Europe. Slovakia's joining NATO does not appear to be in the cards at present. We do not yet meet many political and economic conditions. A great problem would also be in joint command and communication between the individual armies. We want to become part of a collective system of European security.

[Rydlo] Are you not afraid that selfish interest on the part of your Czech and Hungarian neighbors may compromise Slovakia's integration in the European Communities?

[Kovac] Within the framework of good-neighborly relations, we do not anticipate that the Czech Republic or Hungary would knowingly and deliberately want to compromise the SR in its entry into the European structures. Whenever certain points of friction emerged (with Hungary, a dispute over national minorities and the Gabcikovo-Nagymaros hydroproject), the EC always dispatched to Slovakia a group of its experts, who found the real state of affairs on the spot and with their own eyes.

[Rydlo] Your country has "minority nationalities and ethnic groups" whose rights are recognized and guaranteed by the Constitution. There were times when Slovakia was a refuge of Czech reformers and sheltered Jews who were victims of pogroms in the border areas. At present, too, Slovakia is organizing valuable assistance to victims of the Yugoslav conflict and the hungry in the former USSR. But few know about that generosity of the Slovaks. Hungary regularly alarms Western public opinion about disregard for the rights of the Hungarian minority in Slovakia. Do you believe that the Hungarian complaints or the fears of your

Hungarian-speaking fellow citizens are justified? The Ruthenians, the Poles, the Germans, and even the Romanies are not putting forward demands and show no interest in their status.... Are you merely victims of propaganda, or are the fears of Slovakia's Hungarians well founded?

[Kovac] To tell the truth, we have much to catch up with in regard to our image in the world. One of the reasons is that, until recently, we lacked the possibility of presenting ourselves to the world directly. I believe our diplomats, journalists, and others representing Slovakia will put the reputation of our nation right. Historically, we are actually a very tolerant nation, as you yourself pointed out. We continue in that tradition; just note how liberally we approach the granting of citizenship. Within our modest means, we are endeavoring to also help those who are in the greatest need of assistance, and we do not do much talking about it. We do not have at our command a seasoned diplomatic service or established pressure groups that would promote Slovak interests abroad, and we therefore find it difficult to dispel some unfounded tales. The Hungarian minority in our country has all its rights guaranteed and enjoys every opportunity to maintain its national identity and development. Not a shadow of discrimination threatens our Hungarian fellow citizens; on the contrary, the state is duty-bound to protect each citizen of a national minority against expressions of discrimination. There is not the slightest reason for fear on the part of citizens of the Hungarian nationality in our country. They can be as content as the citizens of the other nationalities in our country, those whom you cited....

[Rydlo] During the festive Te Deum, the archbishop-metropolitan said in his sermon that you are the third head of Slovaks in history. He called you a "new president" and, in his sermon, avoided calling you "the first president," as it says in the official sources (radio, TV, the press). In that manner, the head of the Slovak Catholic Church implicitly but nonetheless publicly raised the issue of the legitimacy of Monsignor Tiso and the 1939-45 Slovak Republic of which he was the president. What is the Slovak president's view of that painful issue, which still divides Slovak society, considering the faster movement of history at the present time, when so many taboos and cliches are disappearing?

[Kovac] The Slovak Republic (1939-45) is a historical fact that no one can deny. Under communist government, it was unreservedly condemned and disqualified. That period requires a deeper analysis by historians so that they can illuminate all of the positive and negative aspects of that period full of contradictions. The Slovak Republic (1939-45) was, however, not a "so-called state," as it was tagged by communist historiography. It needs to be said that it was not a democratic state. The state existed both de facto and de jure and was recognized by 30 countries—among them, Switzerland. Although several monographs on it have already been published, not one of them has managed to divest itself of a black-and-white perspective. Similarly with the fate of Monsignor Tiso. There is no doubt that Monsignor Tiso succumbed to Hitler's pressure and also was guilty of serious errors. Incidentally, the question of whether I am the first or the second president of Slovakia is immaterial

and cannot be answered conclusively. Even before the assumption of office by Jozef Tiso, Slovakia had two so-called land presidents—Jan Drobny and Pavol Orszag.

[Rydlo] What should be the church-state relationship in Slovakia, where religious faith, especially Catholicism, was suppressed and where Christians would like to build a postcommunist society in accordance with their ideas?

[Kovac] Historically, relations between church and state in Slovakia were always unusually close. Not even the communist dictatorship ever managed to completely strip the church of influence on the public and the spiritual life of the nation. The history of the church in Slovakia is the history of the Slovak people—from the 9th century, when the first missionaries, St. Constantine and St. Methodius, came to Slovakia, to this day. During the times of greatest national oppression in Hungary, it was precisely the clergy, both Catholic and Protestant, who kept alive the language and the national spirit and helped assure that the Slovak people in Hungary survived at all. Over the past 40 years, the church (severely restricted by administrative state controls) focused mainly on raising morale and spirit in opposition to "militant materialism." The pilgrimages of Slovak believers, hundreds of thousands strong, to Levoca and Sastin were already at the beginning of the 1980's a clear signal to the ruling class that the nation had not accepted its atheist doctrine and that it continued to affirm the traditions of Sts. Cyril and Methodius and of the nation. The culmination was the so-called candle demonstration of the faithful in 1988 in Bratislava, demanding that the vacant bishop sees be filled, which became the first serious expression of citizen resistance to the communist regime in the former Czechoslovakia. In the present-day political spectrum of the SR, almost all parties pledge adherence to Slovak Christian tradition and advocate absolute freedom of the churches. We look forward to a complete separation of the church from the state, just as Christian activists demanded during the communist regime. Understandably, it must be a slow process because, at the moment, the church is unable to finance all of its activities without state support. But, even after separation of the church from the state, the SR wants to continue financing, for example, the repairs and maintenance of church premises, some of which are under monument protection.

[Rydlo] Mutual relations between Switzerland and Slovakia are long-term in nature. In the past, many Slovak Protestants studied at Helvetic universities, while many Swiss were in Slovakia. In the literary field, Ch. F. Ramuez and F. Duerrenmatt are the best known. In the 1939-1945 period, Switzerland had excellent diplomatic and trade relations with Slovakia, and the Slovak koruna was within two-tenths of the value of the Swiss franc. In 1968, Switzerland granted asylum to several thousand Slovaks. In which areas can Switzerland be helpful to Slovakia?

[Kovac] Switzerland is still one of the most advanced European countries. From our mutual relations, I would expect primarily expansion in the areas of mutual trade, enterprising, banking, and tourism, which, between our two countries, is on a really low level.

[Rydlo] Our daily L'EXPRESS (a journal of opinion in Neuchatel), which is the oldest newspaper in the French language, still had toward the end of the last century as one of its contributors the Swiss writer William Ritter (1867-1955), who was the first to reveal to the francophone world the dramatic position of Slovaks in Hungary. Along with the Swede [as published] Bjornstjerne Bjornson, the Scot Seton Watson, and the Frenchman Ernest Denis, he belongs to those who could be called Slovakia's "great godfathers." William Ritter claimed that "being a Slovak is regarded among Slovaks as a great honor and great fortune and, among those who are not Slovaks, as a fortune and a privilege." What do you think of that? Which Slovak qualities could enrich us Europeans?

[Kovac] William Ritter and Ernest Denis are, alas, along with Bjornson and Watson, virtually unknown personalities in Slovakia. It is the job of historians to illuminate more closely their role in the history of the Slovak nation and possibly organize a scientific symposium on the topic. On the statement you quoted: Which upstanding patriot would not regard it as an honor to be a member of his nation? That is not nationalism but, rather, what Russian and Croatian writers called *domolub* [chauvinism]. But I do not quite understand the second part of Mr. Ritter's quoted passage. Indeed, at the time of Count Apponyi's overlordship, who could think that being a Slovak was a fortune and a privilege? Was it a fortunate and privileged nation whose schools, associations, and cultural establishments were all shut down? And in what could the Slovaks enrich Europe? Slovaks have been enriching Europe from time immemorial. Many set out for the world and became skilled tradesmen, noted scientists and professors, scholars at the Vienna court, inventors, and pilots of the British Royal Air Force. But our typical qualities are modesty, respect for our fellow man, a love of peace, and tenacity in coping with adverse circumstances.

* Hungarian Minority's Legislative Struggles Described

93CH0847A Bratislava SZABAD UJSAG in Hungarian
14 Jul 93 pp 1, 4

[Interview with Bela Bugar, chairman of the Hungarian Christian Democratic Movement, by Sandor Neszmeri; place and date not given: "Even Our Economic Proposals Are Rejected"]

[Text] [Neszmeri] Mr. Chairman, as of lately we hear more and more people saying that you, the Hungarian political forces in the Slovak parliament, are not willing to concern yourselves with anything but minority issues, and even among those, only with superficial, superfluous things. These people also claim that as soon as discussion turns to economic or social issues, debating becomes in essence uninteresting to your movements. How much of this is true?

[Bugar] These statements are not true, we are dealing with an entirely different thing. What we have is a political struggle aiming to discredit us in the eyes of both Slovak and Hungarian voters. A state official publicly declaring on television that Hungarian representatives have elevated the

cause of protecting minority rights to the level of a paid job is, indeed, mind-boggling. A public official is supposed to rise above politics because future governments, other political forces must also be able to rely on his professional work. This then amounts to a publicity campaign with some complex and dangerous processes in the background. What is the truth? I must go far back in time, to last year's elections: We did not object to Slovak autonomy, but said that Slovakia's economic capacity did not warrant independence and asked that this be considered. We said that future social policies of the country to be formed would have to be based on this consideration, that citizens were divided on the issue of independence, and that social tensions could easily create a conflict between those who supported independence and others who did not. They rejected our analyses, and they still refuse to admit that we were correct. Or, let us take a look at another issue: the debate over the constitution. Only a few of our 34 proposals dealt with minority issues. Ruling party representatives focused on these, thus diverting attention from our proposals on how to build the state and the economy, and on the separation of powers. Thus they rejected all our proposals. As a result of this the law establishing the constitution holds many future complications. Just how flimsy the work behind the constitution was could already be seen from the fact that no one was able to tell the president of the republic whether he was mandated to accept, or if he had discretion in accepting a proposal advanced by the head of government to recall one or another minister. I could go on presenting examples like this: During budget debate we warned a countless number of times that the revenue side of the proposed budget was unrealistic and that inflation threatened. But I am not going to list all the examples. We have no reason to justify our actions, the steps we have taken; one only has to look at our original program that served as the starting point for all of our political discourse.

[Neszmeri] The government frequently criticizes the press, it accuses the press of publishing half-truths, and holds journalists responsible for the adverse public mood. Don't you feel that the press also contributes to the fact that the Slovak public is aware only of those activities of yours which seek protection for the minorities?

[Bugar] The press holds clear responsibility for the way the public is informed. Slovak journalists could do much to present every aspect of our activities fairly to the Slovak public. At the same time, however, we also know that journalists must select the sensational issues dealt with at press conferences, in parliament or in bilateral negotiations, stories certain to be published, things people buy newspapers for. Unfortunately, in our case this kind of sensation always appears in the form of an over-politicized minority issue. We have held countless press conferences on agricultural and financial issues, on the need for devaluation, the bad condition of health care and the reasons for that. We also argued in support of a bankruptcy law, but virtually nothing of that was published by the press, even though we informed the press of the position we had taken in various committees of parliament. But there always happened to be someone who raised a question concerning the minorities—a question that had nothing to do with the subject matter

discussed—and this then became the centerpiece of their reports. I will once again underscore that in a certain sense we understand this journalistic, professional bias, at the same time, however, we must also say that willingly or unwillingly, the press also contributes to the fact that the Slovak public is aware only of the minority-related aspects of our work.

[Neszmeri] You mentioned that you already introduced a countless number of legislative proposals and amendments. How are these received by committees or, if they go that far, at the plenary session?

[Bugar] Unfortunately, the conduct of the head of government, the chairman of the movement, continues to bear strong influence on the Slovak parliament. This results in a situation in which everything Carnogursky's Christian Democratic Movement or the Hungarian political forces say is regarded as wrong from the outset and is rejected. Accordingly, they reject as a matter of principle not only our European standard minority plans supported by the Council of Europe, but they also disregard our economic and social welfare proposals. They steal these ideas at best, i.e., committees reject our proposals, but then, one or another representative or group of representatives introduces our proposal with slight changes during parliamentary debate, and then the proposal is adopted. They want us to be constructive under such circumstances, and they ask why we are not endeavoring to achieve a consensus. The truth is that we are constantly seeking common grounds, opportunities for dialogue and for compromise. But they always interpret this as confrontation, as constant criticism. In their interpretation consensus and a constructive attitude means an unquestioning support of every idea advanced by the government.

[Neszmeri] Forgive me, Mr. Chairman, but sometimes the parliament appears to be only a halo around the moon, personnel serving the government. On occasion one gets the feeling that extraordinary conditions exist in Slovakia. According to the House Rules, legislative proposals should be in the hands of representatives 60 days prior to voting, and this deadline may be shortened to a minimum of 30 days in expedited proceedings. In contrast, the Slovak parliament tolerates virtually without saying a word when the government requests an overnight vote on one or another of its proposals, and it feels reassured if a law rests in a committee for seven days.

[Bugar] Your statement is correct, even though no extraordinary conditions prevail. We are objecting in vain to these things, too, in vain do we assert that from the outset, the government violates the law, the adopted House Rules, and that the ruling movement is capable of enforcing its will in parliament through its own representatives, a majority of the Slovak National Party representatives, and less frequently, with the support of the democratic Left. This would be inconceivable in a well-functioning democratic country. The government, as well as the representatives of the movement claim that too many laws must be created in order to make the country function normally, and this is why the legislative process must be accelerated.

[Neszmeri] Except that good laws are needed to develop a constitutional state and to have a well-functioning state. Under the present circumstances a law needs to be amended even before it takes effect, and this only multiplies the work of both the government and parliament.

[Bugar] Unfortunately, I must also agree with this statement of yours, and the only thing I would add is that we regularly protest the proceedings, but one has to realize that true opposition consists of only the Slovak Christian Democratic movement and us, the Hungarian forces. And in vain have we proved several times—e.g., with respect to the law on the National Insurance Company and taxes, a law we have been patching up for almost half a year and which is still not a good law—that most of the amended laws were flimsy, and that the whole thing should be started anew, our comments went unnoticed, like water running off a duck's back.

[Neszmeri] Under such circumstances, is it not a Catch-22 to introduce the law on the minority constitution? I have in mind Foreign Minister Moravcik's statement, according to which the law on signs designating settlements and other informational signs should be complete by September. This, too, is based on one of the Council of Europe recommendations, and abiding by European standards is supposedly going to generate extremist sentiments just as debate on the law concerning the use of names has. Your proposed law would strongly fuel these sentiments, and on top, it is being scheduled for debate at a time when social tension appears to be at a peak.

[Bugar] Recession is going to last in Slovakia for another two or three years even under optimum circumstances, in other words, the threat that presenting our needs evokes contrary feelings exists throughout the election period. At the same time, however, we are unable to wait, because, in

the meantime, the government might render decisions which totally undermine our lives as a minority. One could say, of course, that both the name use and the settlement sign issues are minor, nevertheless one has to look behind things and one must become conscious of everything that is behind all these measures. This whole thing started out with refusals to permit the entry of Hungarian first names into records in a few places, then they dismantled the signs designating localities, while in a few places they also prohibited weddings and funerals to be conducted in the Hungarian language. And since they experienced hardly any resistance, they began to prepare plans for alternative schools, a plan the advisory board of the minister has already approved, and it depends only on the government at what point they enforce these provisions. These events transpired in the course of a single year. I do not know what the next step could be, but they might shut down our newspapers, or they might deny support for our cultural activities on grounds of the difficult economic situation. At that point we will be able to say how nicely, how peacefully Hungarians and Slovaks coexist in Southern Slovakia. And this is going to be true, because a highly developed sense of morality exists there: They call a Hungarian woman, named Maria, "Maris neni," while the Slovak woman called Maria is addressed as "tyeta Marka." Meanwhile we are running out of rights, and we remain in the exact center of what is called a constitutional state, subject to the whims of all kinds of local and other potentates. Regardless of how dangerous this is, we must introduce legislation on the minority constitution. Even more so, because we truly want to live in peace in Southern Slovakia, and our plan urges primarily that a legal status be granted to the peaceful coexistence that has already evolved. We do not want any power to disturb this peaceful, good-neighborly situation, by using either national or social demagoguery.

[Neszmeri] Thank you for the conversation, Mr. Chairman.

Jansa on Arms Find, Turf Wars, Defense Law

93BA1344E Ljubljana SLOVENEC in Slovene
31 Jul 93 p 23

[Interview with Defense Minister Janez Jansa by Ivan Puc; place and date not given: "The Attitude Toward the Past Will Be Decisive for the Coalition"]

[Text] [Puc] Mr. Minister, you have been criticized many times because of all the political scandals that revolve around you. You have the "bad luck" that it was your ministry's agencies that discovered the weapons at the Maribor airport. One more proof of the above criticisms, or merely a success for the Defense Ministry Security-Intelligence Service [VOMO]?

[Jansa] First of all, I have to say that the weapons at the Maribor airport were not found by VOMO, but other agencies in our ministry. The information about the weapons came from outside. We only participated in verifying the information and then in the investigation. As for the scandals that you say are revolving around us, several things should be distinguished. Where we participate, it is usually a matter of discovery, and not involvement. Much information "comes to" us by itself. I can explain this with a fact that was verified even before independence: Even though our intelligence service only had four employees, it gathered more information than all the services in the state that should have, and had several hundred employees. We did not achieve this because we were "supermen" or well equipped technically, but rather because we gathered information from Slovenes in the JLA [Yugoslav People's Army] who opposed the role of the army at that time and the preparations for aggression. They trusted our service, because it was Slovene. That is how the information came to us. Something similar could also be said of the discovery of the weapons. According to the information available, many people had known about the weapons at the Maribor airport ever since last September.

[Puc] How is it that nothing was learned about them then, and the weapons were lying at the airport for so long?

[Jansa] Everyone who could have or did discover them ran into a certain wall, or verified the information with someone who was also involved himself, and so of course did not say anything more. I recall cases in which 10 rifles and some ammunition were discovered at the border, and press conferences were called immediately. In this case, all the officials in Maribor who should have done something to keep it from happening did not do their jobs. The only explanation for this is that some people in the official structures were involved in this and were also paid for their work—in cash, as the investigation revealed—and some of them were pushed aside with the explanation that they should not interfere because higher interests were involved. When people saw that VIS [Security-Information Service], that is, SOVA [Slovene Intelligence-Security Agency], was also involved, in accordance with the feelings that we became accustomed to in recent decades, they threw up their hands. They should have persisted, however. Since 1991, when Slovenia established its own legislation, arms

imports, exports, and transit have been regulated. The approval of several bodies is needed for the transit of a single piece of weaponry or only for temporary import. Whoever suspected something could have asked for the necessary documents. If they do not exist, then no one can dismiss an official employee by convincing him that higher interests are involved. The investigation should show whether this matter also involves a political background or sponsorship.

[Puc] In recent months the Slovene intelligence agency has not acted as it ought to. Has VOMO, in a way, replaced SOVA? What is the cooperation between the services like? In the case of the weapons, VOMO discovered the involvement of Silvo Komar, the head of the Maribor SOVA. Even some time ago there was talk about disagreements between the two intelligence services, and the latest events actually confirm them.

[Jansa] I also have to say now that Silvo Komar's role was not discovered by our agencies. Instead we received the information from outside, from circles familiar with these things. There is competition among all intelligence services in the world. In our case, a criminal act of large, international scope is involved. Individuals from Slovene official institutions, and not just VIS, are involved. All the explanations saying that this is a political settling of scores or the result of competition between the services are aimed at concealing the criminality of this action—and it is major, since the arms dealers used the international markings of humanitarian organizations and exploited the suffering of people in the crisis areas.

[Puc] There have often been criticisms that VOMO is not under parliamentary control. The impression is being created that the Defense Ministry is the main obstacle. Is the problem in parliament?

[Jansa] It is not that much a matter of parliament. It is the problem of those parties which constantly accuse us of being uncontrolled, but at the same time, in the State Assembly, where that control is established, they once again somehow find formal pretexts not to discuss the report that we prepared for the years 1991 and 1992. The commission has been appointed and it has the task of overseeing the use of special methods and means by all intelligence services. The Law on Defense and Protection has a special provision that once a year the Ministry has to report to the State Assembly on VOMO's work. The reports for the last two years have been in parliament's hands for a long time now. That problem is being raised just in order to create doubt about our service's work. It is always repeated whenever a crime is discovered—just as in the case of the weapons in Maribor, and it is attributed to our agencies.

Special methods and means, such as wiretapping telephones, for example, cannot be used without court orders. Furthermore, by law our services can only use these methods within the framework of defense structures, and not against civilian individuals. Also, all of the equipment through which it is possible to eavesdrop on PTT [postal, telephone, and telegraph] networks is still in the hands of VIS or SOVA.

[Puc] How many times have you asked for a court order?

[Jansa] Our ministry has not requested a wiretap order in a single case, nor has it asked SOVA to do it. We decided that we would not use these methods. Mr. Jelincic's claims that he was recently wiretapped by our agencies are unfounded. Criminal charges have been filed against him, because he is criticizing us for a criminal act. Even if we wanted to eavesdrop on him, we do not have the technical ability to do so. The police detective service also has to make use of SOVA's services. That gives it a kind of monopoly that is not usual in the world. The law that is being prepared will have to regulate this.

[Puc] It is known that immediately after the war, in the Demos council, you proposed a replacement to the head of government; Peterle was supposed to be replaced by Bavcar, to secure greater solidity for Demos. How do you assess the government's conduct now? There was an alternative to Peterle, but is there one for Drnovsek too?

[Jansa] Through that proposal, I was trying to prevent the collapse of Demos. A reorganization at that time—there was to be a replacement both in the government and also in parliament and elsewhere—would have sustained the coalition until the elections, in my opinion. Demos, in fact, collapsed with the split in the SDZ [Social Democratic Alliance]. An alternative to Drnovsek? There is an alternative to everyone, but the present government reflects the balance of power in parliament. For the time being, there is no new balance of power. Consequently, in practice the issue of an alternative is rather academic.

[Puc] The small parties in the government often have the power to represent the feather that will tip the scales. Your party does not have that power. It is probably also for that reason that you are not satisfied with cooperation within the government, which you have never concealed. The deputies from your party frequently vote against government positions. Will you stay in the government?

[Jansa] On many occasions four votes are decisive in the State Assembly. Just look at the voting results. Not just our deputies, but also the Christian Democrats, the LDS [Liberal Democratic Party], and the ZL [United List] vote differently than the government proposes on many occasions; usually in cases involving the attitude toward the past, the issues of whether the biggest burden of the transition from a one-party system to a pluralist one and from a planned system to a market system should be borne by the strata that were neglected during the postwar decades. The differences on this within the coalition are very large, and in practice insurmountable. The attitude toward these issues is the point that will decide the durability of this coalition. The mandate will survive only if at least approximately satisfactory compromises are found on this. On the practical level, I can illustrate the above-mentioned difference with the size of pensions for JLA officers and UDBA [State Security Administration] officers. At 40 years they receive a pension of more than 100,000 tolars, which is huge in comparison with the salaries of overworked workers. During all the postwar years they were exploited, and now they are facing bankruptcy.

[Puc] You got into politics through the front door with the JBTZ [expansion not given] scandal—you were a candidate for president of the ZSMS [Socialist Youth Alliance of Slovenia]—although its purpose was to withdraw you from it. Although the investigating commission, judging from the experiences of three months, does not have as much power as it would in Western democracies, it is nevertheless the only one that can obtain evidence (i.e., appropriate documents, statements from witnesses, etc.) about the involvement of the leadership of Slovene politics.

[Jansa] At this time many new details have come to light. The investigating commission will uncover at least most of the truth without major difficulties.

[Puc] Thirty deputies' signatures are needed....

[Jansa] I hope that they will be collected as soon as possible. The commission's chairman during the previous term, Dr. Franc Zagorenje, announced that he would present an initiative to have such a commission established again during this term.

[Puc] The first dossier of a collaborator with the communist secret service has been published. The government charged Minister Without Portfolio Lojze Janko with preparing a suitable legal document. It is supposed to specify what will be done with the SDV [State Security Service] archives and how. It seems that your party colleague Dr. Pucnik has also proposed that first a political decision should be adopted on the (il)legitimacy of the previous system. Veljko Rus thinks that the system was legitimate, and in this regard cites foreign (it was recognized by all the countries of Europe) and domestic legitimacy (the public opinion polls indicating that people were more satisfied in the old system).

[Jansa] The previous system was not legitimate. It was not confirmed by anyone abroad, except some ultraleftists. No system in which there are no free elections is legitimate. International recognition is something else. Also recognized were the Soviet Union, Kampuchea, where several million people were slaughtered, and also Nazi Germany, Fascist Italy.... It thus does not mean that the system was also externally legitimate. You can conduct a poll among foreign statesmen, and you will get a completely different opinion than Mr. Veljko Rus expressed. The issue of legitimacy and the issue of when people lived better is a confusion of concepts. We are not using any additional definitions of parliament to determine that the system was not legitimate. The scheduling of free elections in 1990 and all the legislation at that time, in and of themselves, represented the sanctioning of illegitimacy and the establishment of a legitimate democratic parliamentary system. It is a question of the legality of the activity of several institutions that acted within the illegitimate system contrary to the legislation of that time and even with ordinary law. The UDBA and the SDV acted on the basis of regulations unknown to people, as a result of which they could not protect themselves against the state's actions. They acted on the basis of secret official gazettes or even regulations that were not published in the secret official gazettes.

A law on regulating issues related to archives and dossiers is being prepared, but it is not yet being discussed by government bodies. The government legislation service has prepared a working draft. At the same time, the service is also studying the laws passed by East European countries.

[Puc] Haven't we already missed the best time for passing such a law?

[Jansa] Every day that it does not happen is lost, of course, but we cannot ignore that issue indefinitely. It is one of the last issues that we are regulating, and that is why there will be so much more trauma. The key reason why the first government did not deal with this issue was the determination that there were no dossiers and that they had been removed or destroyed. Only the archives from the postwar years dealing with trials were supposed to have existed. I myself was on the commission that was headed by the prime minister. When we arrived at the UDBA archives in Borovac near Kocevska Reka, we encountered almost empty shelves.

[Puc] Did you know that Zmago Jelincic was an SDV collaborator?

[Jansa] No, but I concluded that from his conduct. No other explanation was possible for his apparent reversal before the elections and his reversal again after the elections.

[Puc] It is known that your ministry has already prepared answers to the ZL deputies' questions about the arms trade. In this regard, you have become involved in more newspaper polemics with the president, who does not want to turn over to you the minutes of the meeting of the Presidency and the Presidency's Security Council. Do you and the president only communicate through the newspapers?

[Jansa] I do not communicate with the president or his office only in public. We only explain publicly things that are public. Certain communications take place normally. It is true that in connection with seeking answers to the deputies' questions, we got into a completely unusual situation. The ZL and LDS deputies are known to be ones who are part of Kucan's lobby, and the deputies from Kucan's party are demanding answers to questions about the weapons. On the other hand, the state president's office does not want to send us the material on the basis of which we could prepare an answer to those questions. It is a very transparent game. It was only in response to an additional request that we received an answer that we could look at the necessary documents in the president's offices. That is a completely new practice, since the Defense Ministry is authorized and technically equipped to possess and handle confidential documents, more than any other institution in the state. So far, confidential data have not been leaked from the Defense Ministry, but rather from the previous Slovene presidency. During the parliamentary discussion of the answer, which is not complete, I will propose that the State Assembly request the appropriate documentation from the president.

[Puc] Is the incompleteness of the answer the reason why the government has not yet discussed it?

[Jansa] We only received the questions at the ministry, at our request, one month after it was covered in the newspapers. Officially, we only received them on 2 July, and sent the government an answer within a week. The questions also applied to other ministries, and on Tuesday the government committee on state security discussed the entire response, and at Thursday's meeting the government also discussed it.

[Puc] Can you say what it contains?

[Jansa] The response describes what the competent authorities did in connection with the illegal arms trade. The names of enterprises and individuals are mentioned. It says that the state did not engage in that trade, and explains that we could not obtain answers to the questions about who decided on equipping Territorial Defense and on importing weapons, who was informed about it, etc., since we did not receive the appropriate documents from the republic president's office. I must say that the office or the president personally turned over some materials to certain individuals who were less authorized and equipped to handle confidential documents than the Defense Ministry.

[Puc] The war in Bosnia-Herzegovina still will not end very soon, and recently Croatia has also been saying that it will take matters regarding the third of its territory that has been occupied into its own hands. In short, the war is near by. At this time, how prepared is the Slovene Army to defend the state?

[Jansa] Our state's defense capability is substantially better than ever before. That still does not mean that we can resist any danger effectively and without consequences. Above all, the danger from the southeast is current. If there is a conflict between Serbia and Croatia again, it will be very dangerous for our security situation. Only the solution of Bosnia-Herzegovina's survival as a state will guarantee that the issue of the occupied territories in Croatia will be resolved by political means. As long as Belgrade, Banja Luka, and Knin are territorially linked, it will essentially be Greater Serbia. It will only be necessary to replace the flags, and everything else will remain the same as in Serbia.

[Puc] How are you coping with the budget?

[Jansa] In adopting the budget at the beginning of this year, our minister suffered the largest real reduction among all the ministries—unjustifiably, in my opinion, in view of the situation that we are in and in view of how much money we are allocating for defense in comparison with other European countries. It is true that the State Assembly also adopted a decision that by 1 August the government had to prepare a draft and law on the long-term establishment of combat systems. The law has been prepared. Within the deadline set by the State Assembly, the government will send it for discussion. If it is adopted in the form proposed, Slovenia will have a minimal defense system. Otherwise, we will be condemned to improvisation. These are loans that would not appreciably burden the Slovene economy, since the burdens would be distributed over eight years.

[Puc] Lately, there have been rumors and also articles about some sort of coup d'état, in which you would be involved, as with all the scandals. What lies behind those articles?

[Jansa] I am firmly convinced that those rumors are being spread by someone who is connected with the underground and the criminal shipment of weapons at the Maribor airport. Some of the weapons were unpackaged and ready for immediate use, which is giving rise to new questions and various hypotheses. Some of them can be quite dramatic. It is easiest to accuse the one who discovered the crime. On Thursday, in the State Assembly, that was done by the

communist Kocijancic and the liberal Moge, since they acted just as in the case of HIT or other scandals, when the people who wanted to clear things up were those mainly accused. This should not end up in the same way as other scenarios, however, since something extremely serious is involved. With the weapons that were discovered, someone could have armed more people than there are regular soldiers in Slovenia.

Federal

Danube Blockade in Protest of Sanctions

93BA1351C Belgrade POLITIKA in Serbo-Croatian
27 Jul 93 p 7

[Article by D.I.: "Complete Blockade of the Danube Begins Tomorrow"]

[Text] The organizers of the operation to blockade the Danube, which began on 18 July at the Zemun docks on the river, have announced a complete blockade of the Danube for tomorrow. White Rose and New Byzantium, which organized this popular protest against the unfair sanctions imposed on their country, are thus continuing their action, whereby they want to force the world community to remove the blockade against Yugoslavia.

According to Jovica Vlahovic, commander of the organizational headquarters of the Danube blockade, intensified shipping of foreign vessels has been noted in recent days, and just the night before last three vessels were halted and the captains were presented the appeal of the organizers of this demonstration. It is obvious, Vlahovic says, that both the international community and the Danube shippers have taken the announcement of the complete blockade seriously if they do not allow our vessels to travel, which is why they are hurrying to carry as much cargo as possible before the Danube is blocked off.

Even certain Danube shippers, above all, those from the Orthodox countries, according to the organizers, are giving support to this operation, and this is confirmed, according to Vlahovic, by the article published two days ago on the title page of a Bulgarian newspaper under the headline "Down With the Embargo." The organizers are receiving support from every direction, they say in White Rose, where they are ready to continue this operation until the sanctions are removed.

Sandzak Factories During Economic Crisis

93BA1351E Belgrade BORBA in Serbo-Croatian
26 Jul 93 p 13

[Article by Z. Saponjic: "Better a Director in Prison Than a Factory Padlocked"]

[Text] Novi Pazar—A few days ago, when we asked Muamer Redzovic, director of Ras, the Novi Pazar shoe factory, what he expected from the most recent measures of the federal government, he answered briefly: "Unless they rescind them soon, I expect to close down the factory." Then, after only a moment of silence, he added: "I have done what I could. I am clean before God and before man. And those who want to shut it down and leave 2,000 people without a livelihood, then let them do it."

The buses carrying people to the factory these days from the city are overflowing.

"In the factory, we do not have a single worker on mandatory leave. We are working on two shifts, at full capacity, almost as it was before the sanctions were introduced," Redzovic says.

Asked how, when most enterprises in that industry are either idle or operating at 10-20-percent capacity, Redzovic said:

"In good time, before the sanctions, we acquired supplies, work, and we reoriented. And when good quality is achieved, a world price, good organization, and when an enterprise is able to change its production program overnight, then you get results. And if there comes a time when factories shut down, this will be the last."

When the question "how" was repeated, Redzovic said briefly: "We are resourceful...."

We asked about government assistance, the promised funds from primary issue for production.

"All of that was announced with great pomp, we got from primary issue just enough for one entire hour of production," says the director of Ras.

All this factory's stores, 40 of them, shut down recently. Because of "annual vacation" it says on the door.

"If after the recent price freeze I sold out my goods, from a pair of shoes I could later have purchased only the laces or only the sole. If the seasonal goods which I have in the store do not go onto the market before 1 August, that means that I must wait until next year and at the same time do without working capital for a new production cycle. Look around a bit in Novi Pazar, not a single private operator has shut his store, because they are selling for foreign exchange, but if we were to do that, we would immediately be called enemies of the state," says Director Redzovic.

At the other end of Novi Pazar, on the grounds of the Raska Garment Factory, the picture is altogether different. The work floor is empty, the corridors are empty, no one anywhere, although before the sanctions 1,500 people were employed here, only the director, Vucko Jekic, and five or six people in the office are on the job here these days.

"The rest are on annual vacation. At the beginning of August, half of the workers will go to work. We have supplies for a few months. The rest will remain on mandatory leave," says Director Jekic and added that some of the employees still have not received their guaranteed minimum paycheck since back in May.

"What is happening now is practically insoluble. When I sell a suit, the money I get is only enough to buy a sleeve."

Director Jekic says that he simply does not understand the recent measures of the federal government.

"We were caught a bit by surprise, but we got our bearings. Rarely has anyone enforced a decision of the government."

"And criminal liability?" we asked.

"It is better for one man to go to jail than for an entire factory to go under. For that matter, there are so many

criminal accountabilities for directors in our legislation that even the entire housing stock of Serbia could not hold all the prison inmates."

The other 45 stores of Raska are now under lock and key as well.

"Our main objective was to hold back the goods so that they would not go for nothing, so that the private operators would not buy them up," the director said.

Mr. Jekic does not expect any help whatsoever from the federal or republic government.

"Just so they do not get in our way," he said. "The factory was never a greater social welfare institution than it is today. The private operators operate with as many workers as they need, they do not pay taxes and contributions, and they are more competitive than us from the outset. If we do not get rid of our surplus labor force, and if the state does not provide the same conditions for everyone, we are ruined," concludes Director Jekic.

Serbia

Serbs Fear Factory Producing Weapons for Muslims

93BA1353B Belgrade BORBA in Serbo-Croatian
27 Jul 93 p 13

[Article by Zoran Saponjic: "Public Suspicion About Secret Production"]

[Text] When the Muslims employed in the plants of Prva Petoletka in Novi Pazar called upon their management a few years ago to move dinner to a later hour during the Ramadan fast, headquarters in Trstenik were consulted immediately. The answer that came down was: Sure! As soon as the dinner hour was moved for the Muslims, the Serbian workers presented a demand: that pork be unfailingly included on the restaurant's menu. "Why not?" the authorities replied.

When the restaurant started serving pork, the Muslims stopped using it. "I cannot use the same utensils with which Serbs eat pork," they explained. Then someone in the factory hit upon the lifesaving idea of drilling holes in the handles of the spoons and forks used by the Serbs and thus solving the problem. When the marked spoons and forks turned up in the restaurant, the Serbs protested. They accused the director, Esad Bosnjak, of marking and discriminating against the Serbs in that way.

"Left" and "Right" Divided by a Corridor

Somehow the issue "died down at that point." But that was only the first episode in the conflict between Bosnjak and the Serb workers in the factory. It was all resumed the other day (and dangerously threatens to be ended) when all the Serbs employed went on strike, and their demand is the dismissal of Director Bosnjak immediately.

The firing pin of recent events in the Prva Petoletka plant in Novi Pazar was the arrest of Asim Begovic, the firm's

doorman, in whose clothes locker in the factory the police found a pencil which is actually a 5.6-mm caliber pistol. They also found 24 bullets of the same caliber and parts for yet another similar "instrument." Begovic was released after spending seven or eight days in jail and then the factory's disciplinary commission reinstated him. The very next day, on 8 July, the Serbian workers warned the factory in a letter that they would strike on the 14th unless disciplinary proceedings were instituted before that time and Director Bosnjak and doorman Begovic suspended. When the demand was not met, the strike began on 15 July.

Since that day, Director Bosnjak has kept to the left side of the administrative building corridor, while the strike committee is "dug in" on the right.

"I say that the pencil-pistol was not made in this factory. Nor is the barrel that was found, with a diameter of 10 mm, made of any material we have. I only leave open the possibility that the three barrels found in Begovic's locker could have been machined on our machines," Director Esad Bosnjak said at the beginning.

Members of the strike committee—Vlastimir Stojanovic, Radoslav Milentijevic, Danko Jesic, Jordan Misovic, Vitorimir Vukadinovic, and Miroslav Bogdanovic—begin by saying that what the director says is not true.

"We saw the pencil. We think it was made in this factory and that at least five other people took part in making it. A doorman could not have done it. An expert had to be involved throughout, in selecting the material, and then someone had to draw it, and then someone to cut, someone to operate the lathe, an expert in reamers, a grinder, a milling machine operator, a specialist in case hardening," they say in the strike committee.

The strikers back up their demand for dismissal of Director Bosnjak with several more facts: The director does not know what is being made in his factory, nor has he done anything to find out which of the workers took part in making this dangerous weapon, nor has he sent to the court an official demand that it send those data to the firm....

"It is not in the director's interest to have this discovered," they believe.

"I asked SUP [Secretariat for Internal Affairs] for the data, and they referred me to the court. In the court, they told me that the judge in charge of the case is on his vacation," Bosnjak said.

The strike committee also charges the director with having "delivered Linde pumps and hydromotors needed for the production of crawler vehicles to the Croatian side at the height of the bitterest fights between the Serbs and Croats, which he did through the private firm Kilje-Komerc." The strikers also mention a truck with similar products which the police seized on the road between Ribarice and Rozaje, and a truck loaded with tank seats that was apprehended near Sjenica.

By What Road to Turkey?

"We were given the explanation that this was a transaction with Turkey. However, as far as we know, that is not the road to Turkey," they say in the committee, and they conclude:

"The gist of it all is that we do not feel secure here and only want to preserve the property of the firm."

Director Esad Bosnjak sees the essence of the demand for his departure in the article published in a Belgrade newspaper back in February.

"They wrote at the time that the director is a Muslim and selling the factory to the Turks and that the Serbs will defend themselves with arms. All the Muslim directors have been put in the same basket: They are not to be trusted. Directors of parent firms have been ordered to dismiss the Muslims, and—the offensive began," Bosnjak says. The director answers the charge of suspicious transactions with the Croats and Turkey by saying that they are utter nonsense.

From the other side of the corridor, from the headquarters of the strike committee, they answer the director however: "None of us belongs to any party!"

The rumor mill in Novi Pazar concludes that there is a struggle behind all this between Serbs and Muslims for a strategically important factory, which with its supermodern technology can reorient to military production in a very short time. Bosnjak says:

"I am a loyal citizen of this country, I respect the laws, and I do nothing against it. The factory has general-purpose equipment, and if it is reoriented to the production of military equipment, then it will do that for the Army of Yugoslavia."

We have a different opinion on everything at the other end of the corridor.

"Why is no one in Serbia interested in protecting this factory? We do not allow them to work behind our back and make weapons for the Muslims in the factory."

The doorman, Begovic, is on vacation in one of the Novi Pazar villages, the director and strikers are each keeping to their respective side of the corridor, and for the present no one is giving in.

The Serbs have commented on the cooperation with the Muslims in the factory: "Only officially!"

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